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TRADE EXPANSION INDICATED BUT HANDICAP EXISTS

Backwash Prevents Immediate Enjoyment of Improvement Promised

PROGRESS IS MADE

Crop Prospects and Favorable Trade Balance Important Factors in Business Outlook

Although numerous recognized indexes of trade and industry show a decided upward movement along well defined lines, general business is evidently still under the influence of a "backwash" from the less favorable conditions of the recent past. A seventy-five million dollar increase in our favorable trade balance—a hundred million dollar rise in farm revenue last year, and an unusually favorable crop outlook in the West this year, a much larger volume of building and of prespective building—the speeding up of a number of manufacturing enterprises—all these things should certainly have an effect upon general business and upon the volume of retail sales. There is no question but that they will have a very decided effect, but the process is extremely slow. Canadian business seems to be operating under a handicap in relation to other times, and in relation also to business elsewhere, in the United States, for example.

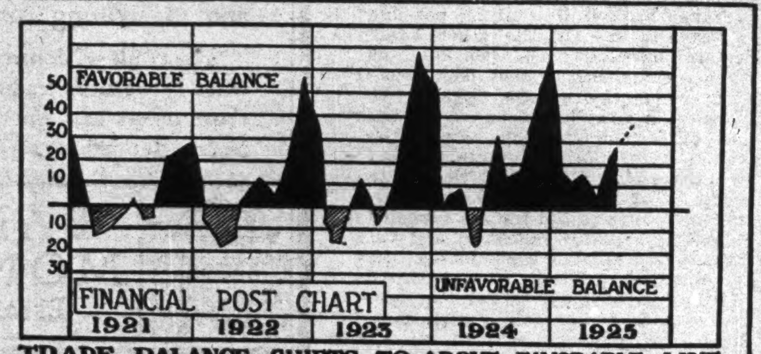
High taxes are one of the factors in the handicap. For the last five years we have paid more than $100,000,000 annually towards the improvement and operation of the National Railways alone. Then the costs of municipal and provincial government are rising at an astonishing rate. Education costs, for example, are climbing by leaps and bounds in all the provinces. One of the big business men of the country stated to The Financial Post this week that he could not afford to invest heavily in Canada, since he was taking a chance on having nearly all his profits taken by the government. The country is calling for capital from abroad and at the same time taxing home capital to such an extent that it is being exported to avoid confiscation.

Distributive Lines Over-manned

But this is not the whole story. There are other factors which must be entirely overcome before trade prosperity can return. Some sections of the country were over-developed or over-industrialized during the period of greater prosperity. In certain industries we built too many plants, and acquired a surplus of equipment, in relation to the demands of nine million people. Large numbers of our farmers bought too much land, and have been trying to farm more than they can farm effectively, having expanded unduly when wheat was $2.50 a bushel. Many of our towns and cities have had too many shops and stores to meet requirements. Five years ago we thought our population would have been ten or possibly eleven millions by now, but it is not, and readjustments have had to be made accordingly. No one is going to drop out of a certain line of business voluntarily merely because there are too many in that line, but economic laws have been slowly operating to drive out those who were below the margin of profit. This, however, has been taking place only slowly. The period of what now appears to have been abnormal prosperity induced large numbers from basic production to the various distributive lines, as is always the case, and there have been too many in these lines. A gradual return to the various branches of basic production is a difficult process, but it is the only road to substantial and lasting prosperity. An increase in production in certain lines seems to indicate that the process has been carried well towards completion.

One favorable feature of all this readjustment is an apparent increase in the efficiency of labor. The head of one of the largest manufacturing concerns in Canada stated recently to The Financial Post that there had been an increase of approximately 150 per cent. in the efficiency of labor in his plants, in comparison with the period of highest prosperity, 1919. Enquiry shows that the increase with many other firms is greater, although accurate statistics of such factors as this are not well developed in Canada. Such a situation permits of greater profits, helps business and works out to the advantage of all.

Direct information received by The Financial Post on the state of the crops in the various provinces reflects an unusually satisfactory state of affairs. Ontario suffered somewhat in the growing period from a lack of sufficient moisture, and the grain is extremely short in parts. Quebec had too much rain over a large area, and some loss may result. Reports from the Maritime Provinces show crop conditions to be above the normal in most sections. It is from the West that the most glowing reports come. The damage from cutworms and rust has been confined to small areas, and the outlook for a very satisfactory crop was probably never better at this time of year.



TRADE BALANCE SHIFTS TO ABOVE FAVORABLE LINE

No Summer Slump in Our Trade Balance This Year

There has been no spring and summer slump in Canada's balance of trade this year. Not only is the increase in the favorable balance about $75,000,000 for the twelve months ending May, but each month during that period showed a surplus. Not once in 1919 and only once since 1916 has the balance of trade been maintained on a favorable basis during the spring and summer months. Usually in the spring, as the accompanying chart indicates, export business takes a slump, being helped out by the opening of navigation and later swelled by the crop shipments.

It is therefore remarkable that, following the 1924 crop, which was frequently spoken of as a failure, the balance has been favorable for each successive month, and the volume of the export surplus far exceeds that of any year since the abnormal years during and after the war.

The surplus consists very largely of manufactured goods and merchandise of various kinds, a fact which challenges the allegations of depressed business. The details are:

	1924	1925
April, imports	$ 60,173,141	$59,104,651
" Exports	48,880,914	59,909,377
May, imports	72,058,830	75,894,532
" Exports	104,150,715	96,356,747
	1924	1925
12 months ending May—		
Imports	$ 873,151,752	$ 799,700,249
Exports	1,069,925,880	1,072,301,848
	1924	1925
To U. K.	$382,099,364	$391,697,173
To U. S.	428,094,421	423,191,549
From U. K.	$152,481,141	$152,419,502
From U. S.	583,698,675	511,345,096

Stocks Have Fallen Away From the High Level of The Year

But Range of Prices is Still Substantially Above the Close of 1924—Bank Stocks Restored to Confidence—Investment Buying Much in Evidence

The price level of Canadian listed stocks at the close of the half year was considerably above the opening in January, but showed some reaction from the high of the upward movement witnessed during the interval. A review of the accompanying tables giving the stocks by groups shows this. It applies more strongly to the better securities which were bid up steadily during the period of heavy investment demand a couple of months ago. At that time bonds were scarce and bond yields were declining, with the result that many investors turned to the stock list. Stocks generally are now a little below half way between the levels of the first of the year and the recent high.

New Confidence in Banks

The feeling of uneasiness which developed following the Home Bank case and the run on Dominion Bank, has largely disappeared. Bank stocks since the first of the year have sold at materially higher levels. In fact the investment demand for bank shares this year has been exceptionally heavy. These gains have not all been maintained. In some cases mergers and amalgamations have been responsible for a portion of the rise, but the bulk of the active trading is generally attributed to the ease in money and scarcity of good bonds which turned attention of the public to good investment stocks, the banks included. The figures:

	Jan. 1, 1925 First Sales	6 mos. 1925 H.	L.	June 30th Last Sales	Price Year Ago
Commerce	197	210	194¾	204½	179
Dominion	193	200¾	189	200	176
Imperial	190	193	184	187½	170
Montreal	245	250	240½	248	231
Nova Sc.	265	271	262	271	250
Royal	227¼	237½	227½	234¼	214
Standard	171	175	170	174	156
Toronto	196	221	192¾	203	169
Union	107	117½	105	115	106

Merger Talk in Papers

The experiences of the paper group have been varied. Merger talk has been prominent during the past six months, with the result that there has been considerable activity among the stocks involved. There has been a slight falling off in prices recently, but this came before the announced cut in price of paper which would indicate that the $5 drop in newsprint was pretty well discounted. The figures:

	H.	6 mos., 1925 H.	L.	June 30 Last Sale
Abitibi c.	62	75	62	68
Brampton	32	33¼	20¼	20¼
Laurentide	81½	85⅞	75	77¾
Price B.	36⅝	41	35⅜	40⅝
Prov. c.	89	11¼	88¾	109
Smith c.	22	42	21¼	39
Spanish c.	102	111¾	87	105¼
Wayagamack	35	52	34½	44

In the Steel Group

The principal steel issues are selling at better prices than obtained at the first of the year, but it has not been a good year for such issues, generally. The figures:

	H.	6 mos., 1925 H.	L.	June 30 Last Sale
Can. Car c.	50½	50⅞	39	39
D. Bridge	80	94½	77½	90
Ont. Steel	41	56½	43	59½
S. of Can. c.	84½	89	75¼	86½

Activity in Milling Stocks

Six months of ups and downs have been experienced by the milling shares. Some of the issues subject of special news, such as Canada Bread, have done exceptionally well, while reactionary tendencies have been apparent in less favored issues.

	H.	6 mos., 1925 H.	L.	June 30 Last Sale
C. Bread c.	102¾	130	98⅛	127
L. Woods c.	185	188	176	182
Maple L. c.	91	100	80	87
St. Lawrence c.	65	65	27	32

While there has been a steady investment demand for Bell Telephone and Consumers Gas, the feature of the utility group has been Montreal Power with a 37 point advance. Trading in this issue has run up to over 10,000 shares a week at times, while at no time has it been neglected. Some brokers are predicting that it will go even higher, though it is now nearing double par. Several of the other issues in the group did well, Mackay being nearly 12 points higher, due to rumors that some concessions were to come to shareholders. Quebec Power, at times, shared the utility demand with Montreal Power and is up 16 points. Shawinigan has been to the front quite steadily and is 20 points over the Jan. 1 level and Ottawa Power is down a point, though at one time it was 8 points above the opening sale of the year.

	H.	6 mos., 1925 H.	L.	June 30 Last Sale
Bell T.	136½	140	133	136¼
Consumers G.	169½	172½	164	170⅞
Mackay c.	116¾	130	114½	128
M. L. H. P.	154	198	152	191
Ottawa, do.	97	105	95	96
Quebec P.	87	104¾	80	103
Shawinigan	130½	155	130½	151

It has been a good year for the transportation and traction issues. C.P.R., the leader in the group, has had quite a series of ups and downs and has fluctuated steadily between 139 and 145, at times dipping or rising somewhat above these levels. Steamships common has given ground.

Barcelona fell away after the first

(Continued on page 11)

B.C. ELECTRIC HALTS LOWER FARES TALK

When Vancouver Mentioned Drop Company Head Suggested an Increase

From Our Own Correspondent.

VANCOUVER.—The city council was somewhat taken back when, after asking the B.C. Electric Railway whether it did not consider the time ripe to revert to the five cent fare, President George Kidd replied with a statement to the effect that he had a good case for increasing the fare higher than the present six cent rate.

In view of this expression of the company's attitude, fare negotiations have been shelved for the time being. Mr. Kidd pointed out that, with a few exceptions, the B.C. Electric Railway had the most onerous agreement with its street car employees, both as regards wages and working conditions, of any public utility in Canada. The company found it quite impossible to consider a reduction of the fare for the following reasons:

The company is not making a fair return on its capital invested in the railway business in Vancouver, and has never made a fair return since the six-cent fare was introduced.

Taking into account the lines in the suburban municipalities, which are an integral part of the Vancouver system and essential to the prosperity of the city, the return on the capital investment is still less.

The cost of wages and materials is considerably higher now than when the six-cent fare was introduced.

The increased gross earnings, due to the city's growth during the last two or three years, have been offset by the increased service provided by the company.

The company recently spent $250,000 on new rolling stock to provide increased service.

In comparison with other cities the street car fare is among the lowest on the continent.

Capital is Withdrawing Because of Taxation

Head of Big Industrial Concern Fears 23 Levies

COMMUNITY SUFFERS

New Ventures Which Would Provide Employment Are Discouraged—Canada Should Follow Example of U.S.

DISCOURAGING ENTERPRISE

The head of one of the biggest manufacturing concerns in Canada tells The Financial Post that he is withdrawing capital from investments here because of excessive taxation; he has found 23 tax levies which may be applied.

This manufacturer instances a venture which would have meant employment for Canadian labor which he was considering with another industrial leader, but which he abandoned when he found that over 60 per cent. of any profits would go in taxes.

He finds conditions much more encouraging for capital in the United States.

Is the effect of the surtaxes on capital to relieve the people with small incomes at the expense of the rich, or do these taxes—by discouraging enterprise and curbing business expansion—result in hard times and unemployment which bear particularly upon wage and salary earners?

Do the wealthy bear the burden or do they still secure ample for their personal needs by putting their money into conservative securities and thus avoid those ventures which mean prosperity for the community? The profits from such ventures would be largely taken by the government while any losses would be fully borne by the investor.

Seeking an answer to these questions The Financial Post finds that there is a growing appreciation in Canada, in keeping with the widespread conviction in the United States, that supertaxes are defeating the purpose for which they were intended—that capital is being driven "under the barn" to evade excessive levies and that this is seriously retarding business recovery.

Take a typical case. The head of one of the biggest industries in Canada told The Financial Post this week that because of the onerous taxes in Canada he was withdrawing his capital. Conditions are much more favorable for capital in the United States now, he says.

"I looked into the situation and found that there were twenty-three levies for which capital is liable in Canada and so decided to put my funds where they would have a better chance," he explained and, continuing, pointed out that the taxes on an estate in this country were particularly heavy.

"Here is an example of what is happening to new business ventures," he went on. "—— and I were going into a new proposition, but I found that I was liable to hand over better than 60 per cent. of any profits in taxation while bearing any losses which might be involved. So the project was dropped."

The U. S. Example

What this manufacturer told The Financial Post as to the effects of surtaxes has been appreciated in the United States. Important reductions have been made in these taxes and they have justified the prediction that revenues would be maintained on the lower rates through the increase in business resulting. And now it is proposed to make further important reductions.

A Public Issue

Tax reduction in the United States has benefited business in two directions. Not only have tax bills been cut but business has increased in volume. Better conditions for all the people have resulted. For Canada this means keener industrial competition through reduced costs and a more attractive field at home for the American capital which she is seeking.

What is needed in Canada is a public demand for taxation relief, based on an appreciation that such a reduction will benefit the whole community, and so insistent as to bring home to the political parties that it will be good vote-getting tactics to give it heed. Not only is it imperative that the cost of running the country be reduced—it is being done in the United States and can surely be done here—but something must be done to solve the railway problem. Immigration will increase population and reduce the taxation burden per capita, but immigration will not be secured until conditions in Canada are such as to make it attractive for people to come to this country.

Three Implement Concerns' Stocks Selling Higher

Shares of Sawyer-Massey have of late sold up from 6 to 15, reflecting the better outlook for implement concerns. Cockshutt Plow and Massey-Harris stocks are also at higher levels. Crop prospects in the West are such as to indicate a heavy demand for new machinery, especially binders, if nothing happens to mar it. The acreage is above last year, say the implement men, and the amount of moisture has been encouraging.

WHEN PROFITS A MIRAGE

It has been submitted that frequently profits in industry are not real—that a decline in profits means a decline in the value of the capital assets and that this may not be taken into consideration. This contention is regarded as quite sound by financial and industrial authorities with whom it has been discussed by The Financial Post.

In a word, if the business of an industrial plant declines over a period of five years until it is closed down and becomes valueless, the loss was not wholly suffered on the day the doors were closed but should have been written off each year as the profits slumped.

A plant is worth its replacement value or any smaller sum in proportion to profits.

COOLIDGE PLANS SURTAX CUT TO BENEFIT PEOPLE

Would Favor Cutting Surtax to 18 or 15 Per Cent.

NEW YORK.—President Coolidge announced on Monday at Swampscott, Mass., as his taxation policy a general reduction of normal, surtax and inheritance taxes.

President Coolidge was without the final estimates from the Treasury, which would justify him in forming any definite opinion as to how far the normal and surtax schedules in the revenue bill might be cut, but he does favor reducing both. According to a special to the New York Times, he thinks that perhaps the 40 per cent. maximum surtaxes cannot be reduced much below 25 per cent., although he is willing to agree with those who would reduce them to 15 or 18 per cent. if the surplus permits.

President Coolidge wants a tax reduction which will reach practically all the people, with some relief to the small taxpayer, paying 2 per cent., as well as the taxpayer whose income is affected by the higher brackets. As to the small taxpayer who has a family of two children, and pays a tax of about $35 a year, he thinks that what this taxpayer is most concerned with is the continuance of his salary of $5,000 a year, and productive activity which will assure prosperity. This taxpayer, in the opinion of Mr. Coolidge, wants to see the large taxpayer, affected by surtaxes, get relief and employ his money in industry. That is the thing aimed at by the President—relief of the large taxpayer, enabling him to employ his money in industrial enterprises and withdraw it from non-taxable securities.

Until he has the final Treasury estimates President Coolidge would not venture to give specific figures for the different schedules. He wants to see the normal taxes cut as far as the needs of the government will permit. But his greatest concern is with surtax charges, which he contends means more for the prosperity of the country.

What Mr. Coolidge desires in the next revision of the tax bill is a system of taxation that will get the largest collection without injury to business. He wants Congress to work out the best system of taxation that can be devised for the encouragement of business and the collection of the largest amount of taxes possible with the least dislocation of industry and commerce.

Would Another Cut Eventually Help Payers?

From Our Own Correspondent.

MONTREAL. — One of the larger manufacturers of newsprint in Canada expressed the view to The Financial Post that the price of $65 a ton was not low enough. He was referring, of course, to the effect of the $5 cut in regard to shutting out some of the American mills. The situation, as he understood it, was that if newsprint went to $60 for several months, it would curtail profits decidedly in Canada; but, at the same time, it would turn a lot of the newsprint mills in the States over into the manufacture of high-grade paper or put them out of business.

Here in Canada it might be said that there are no small manufacturers of newsprint, but the situation is decidedly different in the States, for there there are quite a number of small independent mills and some which are controlled by other companies, which turn out from 50 to 100 tons of newsprint a day. These are the companies which will first feel the strain of lower prices and, while this executive of a Canadian pulp and paper company naturally did not relish any cut in prices, he thought that this present drop was not really sufficient to do any real good, except to lower profits all round without cutting out much competition.

All this appears to indicate that, as far as the price of newsprint is concerned, it may go lower before manufacturing conditions, that is the amount of newsprint produced, show improvement. Anyway, it seems that a temporary further cut might eventually help the Canadian industry.

GENERALLY GOOD, IS LAST WORD ON WESTERN CROPS

But Some Damage From Hot Winds and Other Causes

ALBERTA GETS RAIN

Moisture Comes in Time to Check Damage by Hot Winds —People in Good Spirits on Prairies

By E. CORA HIND,
Commercial Editor, Manitoba Free Press.

CALGARY.—Alberta has, within the last thirty-six hours, been pretty thoroughly wetted down and so far as I have been able to ascertain today, July 7th, nearly all the points that complained of the need of moisture in the reports to the Manitoba Free Press, published last Saturday, have had anywhere from three to eight hours of rain. Also such districts as Maple Creek, Gull Lake and other points in south-western Saskatchewan that were dry have had rain and it is raining again this evening. In reporting the need of rain nearly every point stated that if they got it within a week there would be relatively little loss as the drought which was caused by hot winds had not lasted more than three weeks and the crops had good roots, so that it would seem that they have got just what was necessary. It has turned quite cool and if it remains so for a few days, which is the usual thing after summer rain in Alberta and western Saskatchewan, the moisture which has now fallen, should carry the crop well forward to the filling stage.

The large number of farmers attending the exhibition here seem to feel that the crop has made a long step forward to safety.

WINNIPEG.—The Manitoba Free Press third general crop report, issued for the season of 1925, gave the following:

Twenty-one days of widely varying weather conditions have intervened since the last report and it is therefore very gratifying to state that the crop of the three prairie provinces has, to a great extent, held the high condition that prevailed on June 13 and has made on the whole very satisfactory progress.

The great surprise of the report is to find that there are very large sections in Alberta and a few in Saskatchewan that would like more rains and a few that really need rain very badly if the high standard of the crop is to be maintained. Even Manitoba has one or two points that would like "a little more."

Even the points that need rain the worst state that rain within a week would prevent any serious lessening of yield. The reason given for the rapid evaporation of the abundant moisture reported 21 days ago is that high hot winds have prevailed to a very considerable extent.

As there had been one or two scares

(Continued on page 8)

General Crop Outlook Continues Satisfactory

MONTREAL.—Survey of crop reports received by the Bank of Montreal indicates that Prairie crop conditions continue favorable with wheat heading out. In Alberta and South-Eastern Saskatchewan the weather has been extremely hot but rain has improved conditions. There will be the usual scattered hail losses.

Ontario reports decided improvement in crops during the week. All grains promise a good average yield. Haying has been begun and will be a good crop in eastern and northern sections, but other districts will be light. Apples and pears above the average. Peaches promise a heavy crop.

Quebec crops are promising but dry weather is needed.

Apple conditions are good in the Maritimes and other crops doing well.

In British Columbia the Okanagan apple crop has been reduced sixty per cent. but on the average haying is general. Crops are a good average.

FEATURES

Australia Builds Big Organization for Export Trade 2
Ships at Montreal Cannot Carry Full Cargo at Present 3
Market Trend Up—Leaders Are Quite Active 4
Expect London to Show New Activity in Canadian Issues 5
Sound Position of Laurentide in Industry 6
Detroit United Refinancing Plan Falls Through 7
Dome Millheads Down but Total Output Is Up 8
To Overcome Carelessness With Cheques 9
Half Century of Merchandising Sees Many Changes 10
Automatic Telephones Will Eventually Increase Profits 11
Six Months Bond Sales Show Increase Over 1924 Period 12
Oppose Proposal to Amend Alberta Assessment Act 13
C.F.U.A. Will Cover Canada by Investigations 14
Canada Getting More of Business With the Indies 16
Editorial: Branch Banking the Answer—Gas Versus Electricity—The Day of the Motor Bus—Truth About Lightning Rods—The Progressives Split 10

The Business Outlook in Canada

Conducted by H. M. CAMERON, Statistical Editor, The Financial Post.

AUSTRALIA BUILDS BIG ORGANIZATION FOR EXPORT TRADE

Plans to Centralize Effort and Overcome Handicap of Distance

The large-scale effort of Australia to organize for the building up of her foreign trade is interesting to Canada in view of the repeated efforts of this country to get a firm foothold in the produce markets of the United Kingdom. While Australia attempts to secure a market in Canada for her products, as evidenced by her promotion of the trade treaty, Canada has similar designs upon the British market. In Australia, the dairy, dried fruit and meat industries have combined on a huge co-operative marketing project, and have the promise of government aid. A similar plan was worked out in New Zealand, and is now being developed in South Africa. One of the main aims of the Australian plan is to aid in overcoming the distance handicap. There is also an attempt to improve marketing methods and secure a greater degree of standardization of products.

According to an informative article in the current Monthly Letter of the National Bank of Commerce of the United States, all dairy products exported from Australia are graded by government inspectors. The national brand "Kangaroo" has been adopted and will be applied only to high-quality butter made from pasteurized cream and grading 92 and over. About 80 per cent. of the exports of the British market this season are expected to come within the requirements for this brand. A special object of the Dried Fruits Board will be to secure a continuous and fairly evenly distributed supply for export.

On the basis of exports estimated at 30,000 tons for the season, it is expected that the board will have at its disposal a considerable fund.

Besides these boards additional help in export trade is furnished by the Export Guarantee Act, passed in October, 1924. By this act provision is made for the guarantee of advances by the Commonwealth Bank or other banks. Advances may be made up to 80 per cent. of the market value of primary produce exported under the control of a national board. The dried fruits board has announced that it will make use of this provision in connection with the 1925 crop, and it has established a London agency. The development and control of export trade provided for by these acts will be administered under the newly created department of markets and migration.

Not a Trading Project

The Australian meat council differs from the two boards described in that it is not a trading organization but will continue to devote its attention to improving methods of production and marketing. Efforts will be made to reduce freight charges further and to raise the standard of exports; extensive advertising of Australian meat and suggestions as to legislative needs are among the contemplated activities. A levy on owners of cattle and sheep is permitted, and with the funds thus made available it will be possible for the council to extend the work it has been carrying on as a private organization and to maintain a permanent representative in London. The intimate connection of the government with the new council is indicated by the fact that that body includes an official representative from the Commonwealth and one from each of the states interested in meat production, as well as sixteen representatives of meat producers and seven of meat works or packing plants.

The results of these Australian plans will be watched with interest. Certainly, Denmark's national brands and uniformly high-grade export products have greatly aided in developing the large trade which the country enjoys. Particularly because of Australia's distance from the main markets of the world the standardization of products should be helpful to its trade.

The United Kingdom is the chief outlet for all the exports which now are affected by the recent legislation in Australia, but that country is far from occupying a dominant position in the British market. As a shipper of butter to Great Britain Australia is surpassed by both Denmark and New Zealand. In 1924 it furnished a little over 10 per cent. of total British imports of butter. Cheese has not been so important a dairy export from Australia as has butter, and the relative quantity sent to the United Kingdom is not large. It is uncertain to what extent it would prove profitable to expand this trade at the expense of butter. New Zealand is the chief source of British cheese imports and Canada ranks second.

Eliminates Freezing

In the field of meats especially the distance to British markets has been a handicap, necessitating, as it has so far, that the meat be frozen. Australian meat exports consist chiefly of beef, mutton and lamb. The preference of consumers for fresh or chilled rather than frozen meat has given a decided trading advantage to nearer producing countries. Argentina furnishes more than a third of total meat imports into the United Kingdom, and the United States, New Zealand and Denmark all rank ahead of Australia. Shipments from the United States and Denmark, however, consist largely of cured pork and bacon, which compete only indirectly with Australian beef and mutton.

The United States, in fact, is not likely to be greatly affected by expansion of Australian trade in either meat or dairy products. This country no longer has a large export surplus of beef, it has never been a heavy exporter or user of mutton and lamb, it is a net importer of cheese and appears sometimes as an exporter of butter. In the case of dried fruit, however, the situation is quite different.

Canada and the United Kingdom are the chief markets for raisins from the United States, and the California industry is endeavoring to find outlets for the fruit from an expanding acreage. The urge to increase Australian exports of dried fruits arises out of a great expansion of production with the settlement of returned soldiers upon the land since the war. The United Kingdom and Canada are the centres of Australian effort. With a preferential tariff already in force in the former and one under negotiation with the latter, and with a strong marketing organization enjoying government backing at home, Australian competition in the raisin market may well become a matter of considerable import to California growers. By 1924 Australia had become the chief source of British raisin imports.

Instalment Plan Has Limits

The Time Payment Plan is Adaptable to Certain Well Defined Articles—Repossession Should Always Be a Possibility, but Resort to It Should Be Rare

This is the seventh article of a series on time payment selling. It discusses the limits to the field of time payment selling. Other phases of the subject will be discussed later.

Because there are certain articles well adapted to the partial payment selling plan, it does not follow that the policy can safely and judiciously be applied to all classes of goods. Like most other things the field of instalment selling is limited. In fact, certain fields have already been entered from which a hasty retreat will have to be beaten. There are certain well-defined limits to the efficacy of this method of selling, and there are certain rules to be observed even within the prescribed circles. It is our aim in this article to examine the limits which are set, and the rules which are observed in the successful instalment business.

The prime consideration in all cases is the ability to repossess. In the last analysis, no instalment plan can meet with success unless the product sold is capable of being repossessed and with a reasonably small degree of depreciation. It is not difficult to put on a credit selling campaign, and get goods out of the store or factory. This is comparatively simple, but there is a percentage of the buyers who, through mismanagement or ill fortune, or through sheer dishonesty, are not going to pay, and provision must be made to reimburse the seller in such cases. The contract is all right, and in the great majority of cases is all that is necessary. But for the minority who cannot fulfil the contract, or who have no respect for contracts, the simple expedient of taking back the article must be resorted to. And since there is no absolutely certain way of telling who is going to pay and who is not, adequate machinery must be set up in all cases to provide for repossession in the event of such being necessary.

Repossession Has its Limits

But even repossession has its limits. One of the leading manufacturers of electrical equipment in Canada has been selling equipment on the part payment plan for years, and has had a relatively low ratio of loss, since virtually all the products are such as may be taken back to the shop and resold after a very limited amount of reconditioning. This worked satisfactorily until the sale of radio equipment on time was inaugurated, but the latter was found very unsatisfactory and has since been dropped. Rapid depreciation in the materials was given as the reason why the instalment plan was not a success in this case. A much larger cash payment and a shorter credit period would be necessary to make the plan workable, it was found. Similarly a high priced washing machine was recently placed on the market on a credit basis. The motor was of delicate construction, and was easily destroyed. It was of course the motor that was almost entirely responsible for the high cost of the machine. Naturally the credit plan was not adaptable to that type of machine, since, when repossessed, the washer had depreciated in value to only a fraction of its original cost. On the other hand, such products as farm implements have been sold on credit on a large scale for a number of years.

An outstanding example of what was considered by many an ill-advised and unsuccessful attempt to promote the instalment selling plan in a new field, was the scheme recently introduced in Canada and the United States, to carry on painting contracts in this way. "Paint now and pay in ten months," has been mentioned in a previous article as the slogan of a country-wide campaign to sell paint on time. Another was the Save-the-Surface instalment campaign. The National Hardware Dealers' Congress of the United States recently went on record as opposing and condemning the instalment plan for painting "because it greatly increases the cost of distribution by imposing upon the consumer an additional charge amounting to more than 20 per cent. interest, and because such a plan is not demanded by the public and is therefore unnecessary as well as uneconomic." The real point, of course, is that there is no possibility of repossession in the scheme and it is therefore not adaptable to time payments.

Repossessions Must be Few

While it is essential for the successful operation of the time payment plan that the proper machinery for repossession be set up, it does not follow that this machinery must be used. While it sounds contradictory on the surface, the really successful policy is to make sure that the repossession machinery is set up, but that it is not used except as a last resort. In other words, should there be an extremely large number of repossessions, the plan would be defeated. Success depends on the number of forced repossessions being extremely small, so that the cost of remarketing and of general adjustment is at a minimum.

In keeping repossessions down to a minimum, certain psychological principles are applied. In the first place, good salesmanship is a requisite. If the purchaser is not really sold on the article, he is not so likely to let the payments bother him. If he has been talked into buying by a high-powered salesman who cares for nothing beyond the mere closing of the sale, without any permanent desire or need for the article having been created, the company stands a greater chance of having to call for it in a month or two. Then again, the salesman may merely sell the goods without explaining all the advantages and uses, and without showing the purchaser what must be done in case of trouble with the article. In such cases the article is not properly sold, and trouble is quite likely to brew.

Then again there are certain articles which are not particularly adapted to time payment because of the waning interest of the buyer, or because the product is not an essential. It is improbable that the housewife would let her washing machine be taken away while there was any conceiveable way of securing the funds to make the payments. Something else is likely to be done without. In the case of the automobile, a sort of dependence upon the machine develops, or perhaps pride prevents the purchaser from allowing the car to be taken back if it is at all possible to prevent it. On the other hand, certain articles such, possibly, as radio instruments, appear less necessary when the season changes or when the novelty has worn off. In the case of farm implements, one of the leading Canadian manufacturers had something like $15,000,000 tied up in credit paper on farm machinery during the trying period for the farmers. When farm prices improved and the farmer was able to work into a better financial position, it was stated that in a vast number of cases he purchased a new automobile with cash, instead of paying the debt on his implements. In such instances, repossession is a convenient and necessary weapon. All these cases require careful handling. In a situation where no lien law exists, as in the province of Quebec, all the more emphasis must be placed upon the contract.

It is evident that there are certain cases to which instalment selling is not, and never can be adapted. It is clear that credit can be a valuable asset to the community when properly used. But when it is used merely as a sales promotion scheme, and is used to push sales in cases where there should be no sale, it is a menace to the community and should be strenuously opposed. Sound policy, moreover, demands that repossession be a possibility. Where this is impossible, the business is unsound regardless of the standing of the buyer. The ideal situation is where proper and adequate provision is made for repossession, but not resorted to.

A decided change seems under way in instalment selling in Canada. This will be dealt with in a later article.

Exports of Sugar Mount; Domestic Demand Steady

From Our Own Correspondent.

MONTREAL.—Statistics just published on the sugar manufacturing industry in Canada show that while domestic shipments from the first of the year show only a marginal expansion, exports continue to grow.

Domestic shipments from January 1 to June 20, 1924, totalled 305,385,965 pounds which is only a little below the figures for the present year, which amount to 348,870,240 pounds.

The exports for the month of May, 1925, totalled 43,096,000 pounds, and compare very favorably with May of 1924, in which month there were only 19,101,000 pounds exported. The total meltings and shipments for the year to June 20, were 521,242,614 pounds as compared with 392,306,463 pounds for the corresponding period of last year.

Canadian Conditions

Car Loadings—		
	1925	1924
Week June 20	51,487	59,251—13.1%
Yr. to date	1,267,803	1,338,355— 5.5%
Grain Receipts—		
	1925	1924
Aug. 1 to June 26	245,990,443	406,902,678—39.5%
Building—		
	1925	1924
May	$14,545,161	$13,936,337+ 4.3%
	1925	1924
5 months	47,748,445	44,175,917+ 8.1%
Bank Clearings—May—		
	1925	1924
	$1,309,559,221	$1,396,462,465— 6.1%
Savings Deposits—Chart. Banks—		
	1925	1924
Apr.	$1,263,964,473	$1,211,504,684+ 4.3%
Current Loans—By Banks—		
	1925	1924
Apr.	$909,360,244	1,005,425,951— 9.5%
Net Dominion Debt—May 31—		
	1925	1924
	$2,387,794,908	$2,385,263,512+ 0.1%
Railway Earnings—		
May—	1925	1924
C. P. R.	$12,467,612	$14,426,679—13.6%
Oper. exp.	11,558,698	12,700,209— 8.9%
Net	908,913	1,726,470—47.3%
5 months—		
C. P. R.	$61,691,171	$69,521,283—11.3%
Oper. exp.	55,478,076	61,590,848— 9.9%
Net	6,213,095	7,930,435—21.7%
May—		
C. N. R.	18,245,738	19,350,770— 5.7%
Oper. exp.	17,845,798	19,606,093— 8.9%
Net	399,940	255,323+ 2.5%
4 Months—		
C. N. R.	87,339,081	95,184,491— 8.2%
Oper. exp.	83,164,359	91,628,678— 9.2%
Net	4,174,722	3,555,813+ 1.5%
Balance of Trade—		
	1925	1924
12 months, May 31—		
Exp.	$1,084,715,293	$1,083,215,472x .14%
Imp.	799,700,249	873,151,752— 8.4%
Bal.	285,015,044	210,063,720+35.6%
July Wheat, No. 1, Nor. Winnipeg—		
	1925	1924
	July $1.55	July (Aver.) $1.35

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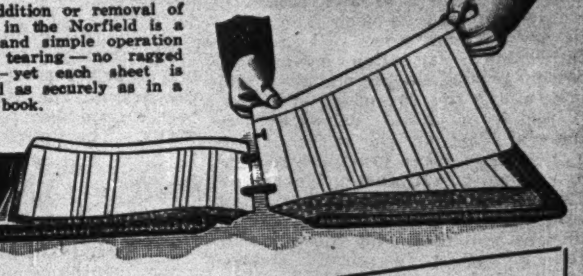

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SHIPS AT MONTREAL CANNOT CARRY FULL CARGO AT PRESENT

St. Lawrence Needs to Be Deepened to 35 ft. Says Shipping Official

NEW YORK.—Lack of sufficient depth of water in the St. Lawrence has inflicted heavy loss upon both shipping interests and merchants, according to Thomas Robb, secretary of the Shipping Federation of Canada. In many cases vessels have been obliged to sail from Montreal 1,000 tons short of their full load, because the maximum draft in the upper reaches of the river was reduced to 26 feet, although the channel was dredged to a depth of 30 feet in 1907. Mr. Robb has urged the deepening of the river channel to 35 feet, but points out that this will require about twenty years at the present rate of progress.

During 1923, the total yardage of dredging in the 35-foot channel was, according to the annual report of the Department of Marine and Fisheries, 1,314,050 cubic yards, which leaves a balance of 25,775,615 cubic yards to complete. The full value of this deeper channel will not be realized until its completion.

Since the opening of the 30-foot channel 18 years ago, it is pointed out, the lowering of water levels due to natural causes and to the Chicago Sanitary Canal has made it impossible to maintain the full value of the channel.

Not Full Cargo

Shipping has been restricted by insufficient depth of water in the channel, said Mr. Robb, and in the past it has been a frequent occurrence that ships leave Montreal without their full allotment of cargo because of shallow water, though in some cases they have been able to make this up at Quebec. Others have coaled on the outward trip at Sydney, thus allowing cargo to permissible draft in the river.

Vessels using the St. Lawrence are far larger than eighteen years ago, when the 30-foot channel was completed. Since 1892 the average size of vessels coming into Montreal has increased by 135 per cent. The average tonnage was 1,410 in 1892, whereas in 1924 the average was 3,340 tons.

Twenty of the largest vessels operating into Montreal during 1924 had an average gross tonnage of 12,973 tons, and it is certain that the limit on the size of vessels coming to this port is due to the lack of depth of channel, also that there will be larger vessels coming there when the way is clear. While the average gross tonnage of twenty of the largest ships coming to Montreal is 12,973 tons the twenty largest ships docking in New York average 31,302 gross tons.

Withdraw Ships

"According to the statistical abstract of the United States Departmen of Commerce for 1919," says Mr. Robb, "Montreal held place as the seventh port of the world. That proud position was made possible by the opening of the 30-foot channel in 1907. In the intervening years the steady growth in the size of ships carrying the commerce of the world has brought us face to face with a situation where the ships of to-day cannot operate into Montreal and take full advantage of their capacity.

"Some vessels have already been withdrawn from the St. Lawrence route because of that condition, as they could not pay their way. Large ships have entered world trade to stay, and if we desire to hold our position we must make a way for them to reach this port. Are we going to wait twenty years to get the full value of the important work already done on the 35-foot channel?"

RUBBER CONSUMPTION ABOVE PRODUCTION

Talk of Standardization of Types and Sizes of Tires as Aid

World consumption of crude rubber is now greater than production, and with the existing price around 91 cents a pound, heavy consumers, especially American tire concerns, are looking about for a solution of the situation. One is that they enter the rubber growing business, but it will take production a long time to catch up with consumption, if the latter is maintained at its present level, and this has brought about the suggestion of immediate standardization of types and sizes of casings. Rubber figures by tons, follow:

	—Estimated World—	
Year	Production	Consumption
1925	574,000	540,000
1926	606,000	575,000
1927	623,000	608,000
1928	633,000	641,000
1929	637,000	672,000
1930	641,000	703,000

High and low prices since 1909, follow:

	High	Low		High	Low
1909....	230	130	1922....	22	13
1913....	108	50	1923....	35	29
1917....	80	72	1924....	27	17
1921....	22	14	1925....	40	91

Some Opposition Arises to Australian Tariff

From Our Own Correspondent.

VANCOUVER.—The trade agreement with Australia still seems to be resting on an insecure foundation, and even if the Canadian authorities approve of the pact it is anything but certain that Australia will give similar endorsement.

Reports received here from Australia indicate that opposition to the proposed agreement has grown in the commonwealth. Influential newspapers have published critical editorials anent the treaty, and one paper stated that it could be safely stated that the Australian government would not pass the measure without severe amendment.

A certain amount of opposition to the agreement has also arisen in this country. When the agreement was first published, pulp and paper, fisheries and other manufacturing interests hailed it as an instrument of great importance in the promotion of Canada's foreign trade. The agricultural interests, notably of this province, take a different view and they point out that the tariff proposed on Australian butter, fruit and other farm produce is such as to do serious harm to the domestic market for similar stuffs produced in Canada.

Reds Cause Trouble at Drumheller Mines

From Our Own Correspondent.

CALGARY.—The situation in the domestic coal field at Drumheller is far from satisfactory. A large percentage of the miners have broken away from the United Mine Workers of America and formed a separate organization, which, it is claimed by the district officials, is largely Communistic. Picketing has been resorted to by members of the new organization and there have been clashes with the police with the result that some of their leaders are now in jail awaiting trial and have been refused bail.

In the meantime some of the operators, fearing trouble, have not resumed work and their mines are idle. There was a prospect of their working some few days a week because of the 15 per cent. reduction recently entered into which placed them in a position to compete with non-union mines. What the actual outcome will be is uncertain.

$150,000,000 WAGES FROM B.C. INDUSTRIES

Number of Industrial Concerns in Operation Has Tripled in Seven Years

From Our Own Correspondent.

VANCOUVER.—An increase in the industrial payroll of the province, an increase in the average weekly wage of industrial workers, a shorter working week and a reduction in the percentage of Orientals employed, are among the points brought out in a report of British Columbia's labor department.

Thirty-five hundred and fifty-six industrial concerns in British Columbia reported returns last year, as compared with 3,375 in 1923. The number of industrial concerns has more than tripled in the last seven years. The department estimates that the industrial and semi-industrial payroll of British Columbia is now over $150,000,000, which indicates a big increase over the previous years. Over 36 per cent. of this payroll is paid out in Greater Vancouver. Vanoouver Island's payroll totalled about 18 per cent. of the aggregate. There is no doubt that the payroll would have been substantially greater had the year witnessed normal activity in the lumber industry, which was suffering from market depression. The shutdown of the Crowsnest coal mine area accounted for lessening the mining payroll.

Coast shipping as a payroll contributor is steadily advancing. The smelters also showed a big increase.

The percentage of Orientals employed in British Columbia industries in 1924 was 11.97. This is the lowest figure in recent years. There has been a steady decline since 1918, the last of the war years, when the percentage was over 20.

WOOL PRICE DECLINE HAS BEEN ARRESTED

Bottom Appears to Have Been Reached in May—Prices Are Now Strong

According to the current news letter of the Canadian Co-operative Wool Growers Association, the long decline in wool appears to have been arrested, and the trend now seems to be in the other direction. After the long period of declining wool values starting in January of this year, and presumably reaching bottom during May, the improvement which has been taking place recently is welcomed, says the letter. Values at present show a hardening tendency, and there is a feeling of growing confidence to-day in general wool conditions.

At the low point of the market, houses owning high-priced wools were unwilling to sell at the current market, preferring to hold for a more definite market trend. Then the growers have taken much the same stand, and are not willing to sell their clips, but are showing their preference for consignment in the expectation that later in the season the market will be more satisfactory and yield to them more favorable returns.

Apparently wools were too high the latter part of last year, when prices were at a level quite out of line with other commodities. This also holds true in the decline which followed. At the low point of the market reached during May many classes of wool were only about 20 per cent. above pre-war prices. it is generally conceded that commodity prices on a gold basis should be from 50 per cent. to 60 per cent. above 1914, therefore, at the low of the recent market, wool prices were again out of line, and there is no reason why wool in the long run should not hold its place with other commodities.

The London sales, the world's wool barometer, opened again on July 7. The last series closed May 14, at which time offerings were restricted owing to the then condition of the wool market. Also for the same reason the Australian sales were cancelled until July. It is, therefore, with a great deal of interest that those interested in wool are awaiting the results of the London opening. The Australian sales are also scheduled to be resumed in July or August.

This year's clip in Canada is pretty well off the sheep's back for another year. At the Weston and Lennoxville warehouses receipts of wool from growers are considerably in advance of this same date a year ago. From the Maritime provinces advices are to the effect that wool is coming in freely, with a high percentage of new shippers. From the West several cars have already been received in at the Western warehouse, and many cars are now en route. All indications are that an ever increasing number of wool growers throughout Canada are favoring the marketing of their clips on a graded co-operative basis.

SEES A PERIOD OF PROSPERITY FOR OUR FUTURE

Col. Kirkpatrick Bases Opinion on Past Experiences and Crop Outlook

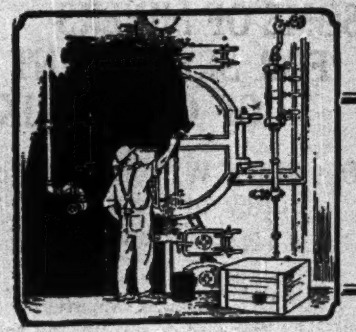
That Canada is now at the commencement of a period of expansion and development which will culminate in great prosperity throughout the country in five or six years, is the conviction of Colonel A. E. Kirkpatrick, general manager for Canada, United States Fidelity and Guaranty Company, who recently made a survey of conditions in the West and bases his opinion to a considerable extent on the crop prospects. He points out that our farmers have been working at a great disadvantage for the past three of four years in that the prices received for their products made their business unprofitable. Largely increased prices for agricultural products should show agriculturalists a good profit this year, and that—more than anything else—will attract immigration to Canada.

In Western Canada Colonel Kirkpatrick found business prospects very much improved. There was evidence of a return to material prosperity, which was particularly shown in the fact that the effects of the overbuilding during the boom period have been almost wiped out—nearly all the stores and offices now have tenants and, with practically all dwellings also occupied, the construction of new houses and business accomdation has recommenced. The people in the West he found in a very healthy spirit of optimism, realizing that, while business might be better than it is, there is very little to complain of under the circumstances and with prospects for better things in the early future.

Speaking of Canada's position generally, Colonel Kirkpatrick bases reasonable optimism on a comparison of present conditions in this country with conditions in the United States after the war between north and south. He refers also to the boom after '85 following which there were rows of empty houses and stores in Toronto with the windows smashed and falling from decay. The condition was so bad at the time that the mortgage companies were willing to give properties to those who would assume the obligations. These reactions have in the past been followed by periods of expansion and Colonel Kirkpatrick feels that the post-war depression has not been very serious when Canada's contribution to the great war and the consequent burdens are taken into consideration.

Fisher Body Said to be Biggest Factory in World

Fisher Body Co., making automobile bodies, principally for General Motors' automobiles, is said to be the biggest factory in the world. Its flooring would surface 186 miles of highways. Has 44 big plants making bodies only, a hardware plant, sawmills, and lumber forests. It began with 10 open-car bodies daily, and now makes 500,000 yearly. It began with 100 workmen in 1909, and now has 40,000! It now produces 51 types of "closed" bodies, of which 40 are used by General Motors; the latter also owns 60 per cent. of its stock. It occupies the greatest floor area of any industrial plant in the world.



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The Securities Markets

MARKET TENDENCY IS AGAIN UPWARD; TRADING IS BROAD

Several Issues Recovered Lost Ground During Past Week

MARKET INDICATOR
(20 Industrial Stocks)

Week July 8		Week July 1		July, 1925	
75.2	73.2	75.6	73.8	68.2	64.8

With the bulk of trading centred around the leading issues, the market this week saw many stocks recover some of the ground they have lost during the past month or so. Trading has been quite broad and the interest in the market is rather exceptional for this time of the year. There has been quite a change in the feeling at New York. The rise in money to 6 per cent. in New York found stronger reflection on the Canadian exchanges than it did at New York, and the eased situation and resumption of the upward tendency at Gotham has restored confidence considerably here.

Dominion Bureau of Statistics index shows that some of the groups are showing the strong upward tendency again. Taking 1913 as 100, twenty-one industrial commons rose in June 2.9 to 146.3, with May 143.4. Pulp and paper, food and miscellaneous issues were chiefly responsible.

The index number for pulp and paper stocks rose from 153.9 to 158.2. Clothing and textiles were 258.4 as compared with 354.3 in May. Foods and allied products rose from 144.5 to 152.4. Canadian Salt and B. C. Fishery and Packing being the chief influence. Miscellaneous stocks, due to the influence of F. N. Burt and Consolidated Smelter, rose from 217.3 to 222.2.

Ten bank stocks rose from 97.4 to 98.6, the upward movement being almost general.

Ten public utility stocks dropped slightly, being 76.3 in June as compared with 76.5 in May. Power company stocks were higher, but their influence was offset by the drop in the price of transportation stocks. C.P.R. fell during the month from 143.5 to 140.2.

The combined index for 51 common stocks (31 industrials, 10 bank, 10 public service) was 107.5 in June, a rise of 1.3 points above May.

The index number for 23 preferred industrial stocks rose from 95.7 to 9.2. Iron and steel manufactures were lower, 80.9 as compared with 82.2 in May. The tendency was upward in all other groups.

Eighteen industrial and public service bonds were 106.2 as compared with 105.8 in May.

New Analytical Financial Service to be Published

MONTREAL.—A new financial service has made its appearance here; one which is unique in that it provides an up to the minute record of all the listed and the larger unlisted corporations which operate in Canada.

This new service known as the Analytical Financial Service is published in Montreal and consists of a loose leaf binder in which are filed a complete analytical statement of all the companies in which the investor is interested. As each annual report is published the old sheets in the binder are replaced by new ones—in this way the information is kept up-to-date.

The service gives a complete five-year financial record of each company so that a comparison of either income account or balance sheet for the preceding five year period may be made. Also the earnings on all classes of stock over a five-year period are given. A resume of the operations for the last fiscal year are printed together with a twelve year range of the stock market prices.

In the new service, the investor by turning up the company in which he is interested can ascertain at a glance all the plants which are owned; which plants are controlled; all the subsidiaries, together with the parent company's interest in each; the capacity of each plant and other real information about each company.

In addition to containing all the usual data, the service contains a history of each company and a definite space is devoted to each of the outstanding bond issues, both the underlying issues and also the direct obligations of the company. In the past the investor has oftimes experienced a certain difficulty in ascertaining the exact situation in regard to certain bond issues, this is obviated in the Analytical Financial Service.

The main features of the book will be that in event of any change occurring in a corporation, new pages will be printed immediately and inserted in place of the older ones.

Tooke Brothers Stock Up Dividends Still Distant

From Our Own Correspondent.

MONTREAL.—The preferred stock of Tooke Brothers has had a decided advance during the first six months of this year. The stock opened the year by selling around 40 and recent prices have been in the neighborhood of 62.

The reason for the enhanced value of the stock is the fact that the forthcoming annual report, for the year ending June 30, will show that the company has improved its financial position greatly. This, however, does not give much hope of any disbursement of the preferred dividends which are at present over 25 per cent. in arrears, as it is understood that the earnings will approximate those shown last year. Incidentally it is interesting to note also, that while earnings will probably show a slight increase, yet the turnover has fallen off slightly. In the first fiscal year of the company there remained only $44,613 after allowing for fixed charges. The total outstanding cumulative preferred stock stands at $985,000.

FRONTENAC PROFITS DECLINED SHARPLY

Net for 1924 at $209,162 as Compared with $315,608 in 1923

From Our Own Correspondent.

MONTREAL.—Although the effect of the beer war was not felt during the period, yet profits of Frontenac Breweries in 1924 took a considerable drop and the liquid position of the company is not as satisfactory as was shown at the end of 1923. The net profits amounted to $209,162 as compared with $315,608 in 1923. After deducting interest, depreciation and preferred dividends, there remained a surplus for the year $16,157. The surplus in 1923 was $133,702. The principal change in the company's balance sheet is in the working capital position, which compares for the last two years as follows:

	1924	1923
Current assets	$570,113	$612.154
Current liabilities	228,320	133,206
Net working capital	$341,320	$478,948

Other changes in the balance sheet include a reduction in the cash on hand from approximately $53,000 last year to $23,000 this year. The balance at credit of profit and loss account is down considerably, due to the fact that the company paid $105,000 in dividend arrears on the cumulative preferred stock. Amongst the liabilities, there appeared for the first time a bank loan of $100,000.

At the meeting Honorable C. P. Beaubien, DeGaspe Beaubien and C. H. Branchaud were elected to the board of directors to fill the three vacancies which had occurred.

The profit and loss account figures for the last two years compare as follows:

	1924	1923
Net profits	$209,162	$315,608
Interest	73,748	63,749
Balance	$135,414	$251,850
Depreciation	94,320	93,980
Balance	$ 41,094	$157,879
Bad debts res.	....	3,177
Balance	$ 41,094	$154,702
Pfd. divs.	24.937	21,000
Year's surp.	$ 16,157	$133,702
Previous surplus	309,255	286,118
Total surplus	$325,412	$419,820
Dividend arrears	105,000	63,000
Balance	$220,412	$356,820
Amortization	....	40,000

MULCTED, RE-MULCTED BY A SMOOTH FRAUD

Investigators of Crooked Stock Deals Turn Out to Be Crooks

A bunch of smooth fakers has been broken up in the U. S. There is a Canadian interest, inasmuch as considerable literature was sent into Canada. Representing themselves as the New York Bureau of Frauds these crooks approached individuals who had lost money through questionable stock promotions and bucketshops with an offer to secure a refund, it being represented that the "bureau" was to receive 30 per cent. of all money collected in this manner.

"The next step was to present to individual investors checks for the full amount of the claim, with request for payment of the 30 per cent. agreed upon. When efforts were made to cash the checks, it was found that there were no funds available. The investors then received advice from the Bureau for Investigation of Frauds that the representative was not an authorized representative."

The prime movers in the scheme are now under arrest.

CLAIM AGAINST BROOKS MOTORS

Ottawa interests who carried on the business of Brooks Steamer in that city are claiming $17,698 from Brooks Steam Motors. They say their claim represents money advanced as the purchase price of cars, $15,751, and the balance agency expenses.

SOME OF MINERS FOR SETTLEMENT OF C. B. STRIKE

But Much Will Depend on Policy of New Government

From Our Own Correspondent.

SYDNEY.—Despite apparent significant signs of a rift in the mine workers organization, it is unlikely that any general move to end the strike will be made by the men until after the new government has taken charge and been in office long enough to indicate whether it has any effective policy for remedying the present acute situation in the coal fields. During the late campaign some candidates threw out very broad hints as to what they were prepared to do if returned so the U. M. W. executive officers have asked the men to hold out for a few days or weeks longer to see if anything will materialize to their advantage, and all present indications are that their advice will be followed.

On the other hand, Dominion No. 1, the second largest local in the district, has endorsed a No. 11 resolution condemning the conduct of the strike as "crudely ineffective" and calling upon the MacLeod executive to end the strike by July 10.

Also a more or less mysterious body calling itself the "policy committee" has issued a circular attacking the district officers and practically proposing capitulation upon the company's terms. This may be a spontaneous eruption of moderate opinion among the miners, but there are hints that it may be the work of former opponents who wish to embarrass the present officers, or even of politicians outside the U. M. W. ranks altogether.

At any rate, these things will not have much effect until after the change of government. Then if it appears the new provincial rulers are unable to do anything effective for the men, the disintegration of the strike forces is expected to be rapid and complete.

Lay-Off at Steel Plant May be Result of Strike

From Our Own Correspondent.

SYDNEY.—The lay-off of 800 men at the Besco plant is officially ascribed to lack of orders for steel, but it is possible that the coal strike, or the uncertainty caused by it, has much to do with the curtailment of operations. Coal banks at the steel plant are getting thinned out and the Virginia coal brought here in ships is said not to be so good for steel-making as the native product. The period of slackness is estimated at three months, but no one really knows when it will terminate.

MANY CHANGES IN FORD CO. OF CANADA

Subsidiaries Ready to Handle Australian Business—New Models Coming?

Changes are taking place in Ford Motor. A subsidiary of the Canadian company is now in full charge of the Australian business, manufacturing, assemblying and distributing. There are two companies, Ford Mfg. Co., Australia, and Ford Motor of Australia Proprietary, each capitalized at £1,500,000 and five plants will be erected.

Ford bodies and such other parts as can be produced will be manufactured by the manufacturing company, while assembly and distribution of products will be carried out by sales company. Exportation of Ford products to Australia commenced in 1905, growing to more than 1,000 cars annually in 1911-12. The following year 2,626 cars were shipped from Ford City, Ont., and the growth increased yearly, more than 21,000 cars being shipped in 1923. Establishment of the two companies gives the Canadian company its second subsidiary organization overseas, the other being in Port Elizabeth, South Africa.

In the meantime reports are to expect new Ford models in the fall. The new cars, it is reported, will take the appearance of other larger cars. Spring suspension will be changed and centre of gravity brought lower to the ground. Gasoline tank will be placed under the cowl on all models and the touring car will be built with four doors. Motor remains the same. No change in prices is said to be contemplated, but there are also rumors that colors may be gone into.

During the past week two shares of Ford Motor of Canada changed hands at 488, a drop from the year's high of 512 in February.

Insulls Further Invade Interurban Traction Field

Samuel Insull and Chicago interests, who control Great Lakes Lower at the Soo, and who were bidding for Northern Canada Power, have reached out further into the interurban traction field. They already control Chicago, North Shore & Milwaukee Railroad, one of the best electric lines in the U. S. Now the Illinois Commerce Commission and the Indiana Public Service Commission have been asked to authorize sale of the Chicago, Lake Shore & South Bend Railway to the newly organized Chicago, South Shore & South Bend Railroad for not more than $6,474,844.

Midland Utilities Co., a holding company whose subsidiaries serve an estimated population of 725,000 in northern Indiana and western Ohio, will have joint interest with present bondholders in the South Shore road, but its interest will be controlling and property will be under Insull management.

RAILWAY EARNINGS

Canadian National Railway

Week ending June 30—	1925	decrease
Gross	$5,935,462	$296,499
Six months—		
Gross	$105,543,743	$9,318,815

Canadian Pacific Railway

Week ending June 30—	1925	1924
Gross	$4,198,000	$4,669,000

Goodyear Tire Production Greatest in Its History

C. H. Carlisle, vice-president and general manager of Goodyear Tire and Rubber, in a statement accompanying dividend cheques for the second quarter informs shareholders that "Prices remain exceptionally low in all lines of our products. Both plants are at their maximum production. Our output for the nine months of our fiscal year has been the greatest in the history of the company. Our net profits for the nine months exceed those for the same period a year ago." In addition to the regular dividend payments, the cheques included 1¾ per cent. on the deferred dividends on the preferred the arrears on which now stand at 5¼ per cent.

POWER CORPORATION TO HELP DOMINION

But Story of a Merger of the Two Companies is Being Denied

MONTREAL. — The sudden demand last week for the common stock of the Dominion Power and Transmission Co. immediately started the rumor that the company was about to merge with the Southern Canada Power.

The Financial Post learns on the best authority that there is no foundation for the rumor, which probably owes its inception to the fact that both companies have more or less identical interest back of them. In view of the fact that these two power companies are situated some 375 miles apart, and there is no possible benefit to be gained by such a merger, it is an extraordinary thing how fast and how far the story traveled.

Local Hamilton papers have devoted considerable space to the meeting of the directors of the Dominion Power and Transmission Co. which takes place this week, and point out that important developments are coming in connection with the company.

This indicates that the plans which were laid some time ago by the Power Corporation of Canada are beginning to take form. One of the probable steps which will be taken by the board this week will be the appointing of a management committee — probably, too, the company will take advantage of the engineering consulting department of the Power Corporation of Canada.

Company Not Controlled

While the Dominion Power and Transmission Co. is not controlled by the Power Corporation, yet the holding company has a very substantial interest in its welfare, and it is the intention of the Power Corporation to take an active interest in those companies in which it has holdings. Results of the Power Corporation's activities can be witnessed in the recent improved position of Winnipeg Electric. It is, of course, hoped that, in due course, the Power Corporation will be able to assist the Dominion Power and Transmission in the same way.

As announced in The Financial Post some weeks ago, the Power Corporation does not intend to manage the various companies in which it is interested—the intention is only to help them as much as possible by means of such things as a consulting engineering department and by formulating plans to increase future earnings. The recent changes in the board and management of Dominion Power and Transmission indicate nothing at all except that the Power Corporation is carrying out its ideas with regard to this company. This getting together of power interest must, in the end, work out well for the investor.

TOOKE LENGTHENS YEAR

MONTREAL. — Beginning with the current year, Tooke Brothers, owing to the short period of time to make complete delivery of the spring orders before stock-taking, will change its fiscal year from May 31 to June 30.

This amendment of the company's by-law will be submitted to the shareholders for confirmation at the next annual general meeting. The announcement is being made at this time so that shareholders will be under no misapprehension due to the delay in publishing the financial statement. The next statement will be published shortly and will cover a 13 months period up to June 30.

Back of Every Home

Radiating from Canada's water power plants are great networks of transmission lines which like giant cobwebs are daily being spun closer and closer, carrying comfort and convenience to Canadian homes.

Economy makes electrical energy a necessity even for the simplest home. It brings more cheerful surroundings and better working conditions in city and country alike.

And back of every home should be a reserve fund invested in water power bonds, giving to the investor safety and a fair yield, besides assisting in the building of Canada.

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ADDITIONAL ISSUE

$2,500,000

Fraser Companies, Limited

6% First Mortgage Sinking Fund Gold Bonds, Series "A"

Dated January 1, 1925. Maturing January 1, 1950. Principal and semi-annual interest payable in Montreal, Toronto, Winnipeg, Vancouver, Halifax, St. John, New York or London, England. Coupon Bonds, $1,000 and $500, with privilege of registration as to principal. Callable at the Company's option at 106 to January 1, 1930; at 105 thereafter until January 1, 1935; at 104 thereafter until January 1, 1940; at 103 thereafter until January 1, 1945, and at 101 thereafter until maturity. The Company assumes United States Normal Income Tax up to 2%, and will refund Pennsylvania 4 Mills Tax. Trustee: Montreal Trust Company, Montreal.

CAPITALIZATION
(On completion of present financing)

	Authorized	Outstanding
First Mortgage Sinking Fund Bonds	$10,000,000	$6,000,000*
7% Cumulative Redeemable Convertible Preferred Shares......	3,000,000	1,950,000
Common Shares..	10,000,000	10,000,000

*—of Series "A", 6%.

Descriptive circular, copies of which will be fowarded upon request, contains a letter from Mr. Archibald Fraser, President of the Company, from which the following is summarized:

THE COMPANY is one of the largest manufacturers of bleached sulphite pulp and spruce lumber in Canada. Its business has been in successful operation for nearly 50 years.

TIMBER LIMITS — leasehold and freehold — total over 2,189 square miles, estimated to contain 1,892,000,000 feet b.m. of sawlogs and 4,998,000 cords of pulpwood. An additional 2,100 square miles of Quebec and New Brunswick leasehold timber limits are controlled by the Company through ownership of the entire capital stock of Stetson, Cutler & Company, Limited.

MILL PROPERTIES include a bleached sulphite pulp mill at Edmundston, N.B., of 42,000 tons annual capacity; an easy bleaching sulphite pulp mill at Chatham, N.B., of 16,000 tons annual capacity, and 12 sawmills of 124,000,000 feet b.m. annual lumber manufacturing capacity. Fraser Paper, Limited, (a subsidiary of the Company), is now erecting at Madawaska, Maine, a sulphite paper mill of 20,000 tons annual capacity, construction of which is being financed out of proceeds of this issue and which is expected to be in operation as from January 1, 1926. This mill will utilize bleached pulp to be delivered in slush form from the Edmundston mill.

BONDS ARE SECURED by specific first mortgage on all of the Company's fixed assets, present and future, and by floating charge on all other assets. Included in the security pledged will be $2,500,000 6% First Mortgage Bonds and all the issued capital stock of Fraser Paper, Limited. As at April 30, 1925, fixed assets had a book value (after writing off $3,429,247 for depreciation and depletion), of $11,683,835. Properties and plant of Fraser Paper, Limited, will increase this valuation to approximately $13,683,835. Net current assets as at April 30, 1925, excluding proceeds of this financing and investments having a book value of $930,017, were $3,298,528. Consolidated fixed and net current assets combined will be $17,307,363 — equivalent to $2,884 per $1,000 Bond.

NET EARNINGS available for Bond interest, before depreciation and depletion, for the six years 1919-1924 inclusive, averaged $980,225, and for the year 1924 amounted to $999,217. Net earnings on the same basis for 1925 are estimated at $1,100,000 — more than three times annual interest of $360,000 on total First Mortgage Bonds outstanding. Substantial profits should accrue to the Company during 1926 from operation of the Madawaska sulphite paper mill.

We offer these bonds for delivery if, as and when issued and received by us and subject to the approval of our counsel of all proceedings, at—

98½ and accrued interest, to yield about 6⅛%

Royal Securities Corporation
Limited
Montreal Toronto Halifax St. John
Winnipeg Vancouver

Wood, Gundy & Company
Toronto Montreal Winnipeg New York
London, Ont. London, Eng.

The above statements are not guaranteed, but are based upon information which we believe to be reliable and on which we acted in purchasing these securities.

EXPECTS LONDON TO SHOW NEW ACTIVITY IN CANADIAN ISSUES

British Empire Trust Holds Stock of Several Concerns in Canada

British Empire Trust Co., an English holding company with shares in B.C. Electric, Winnipeg Electric, Canadian Western Mutual Gas, and others, is showing a large increase in surplus forward, owing to the steady appreciation of its investments. This fact was emphasized in the address of R. M. Horne-Payne, chairman, at the recent annual meeting. This year, however, owing to the improvement in Sterling, a depreciation was shown to provide for writing market valuations of dollar investments to the new sterling level. The company still has left £87,042 19s. 9d. to carry forward to the current year after paying dividends for the present year of 5 per cent. on its preference shares, 8 per cent. on employees' shares, 5 per cent. on preferred ordinary shares, and 7 per cent. on deferred ordinary shares. He thought they would agree that this was a satisfactory result of the year's business. With the return to the gold standard and the consequent stabilization of the dollar rate of exchange, he was looking forward to a return to more active business conditions in London so far as Canadian investments were concerned.

B. C. Electric

The British Columbia Electric Railway continued to show a most satisfactory prosperity and progress. Its last completed year was a record in every department. Passengers carried, electric power delivered, the number of consumers served, and gas sold all showed increases as compared with the previous year.

During the present financial year, commencing July, 1924, an increase in net earnings had been reported each month as compared with the corresponding month of the previous year. The shipment of grain from Western Canada via Vancouver to all the great markets of the world was only just commencing, and this, together with the shipment through Vancouver of merchandise destined for the western Provinces of Canada, would before long make Vancouver one of the greatest ports in the Empire.

The year 1924 did not prove so favorable for the Canadian Western Lumber Company as the year 1923, when operations were unusually good. The first three months of 1925 sales showed a further heavy decrease even as compared with the lower sales of 1924, while prices realized were also substantially lower. The cabled figures of lumber sold during April showed an improvement of 2,442,276 feet as compared with April, 1924. How long the depression would continue it was impossible to say, but during the last few years the company had improved its position and could face without serious anxiety any reasonable period of adversity.

Winnipeg Electric

Winnipeg Electric Company, said the chairman, reported that their financial program had been successfully carried out and provision made for extensions for the next two years. A dividend of 1 per cent.—the first since the end of 1915—was paid on the ordinary shares on February 1, 1925. The comparatively dull business conditions which had prevailed in Winnipeg during recent years continued throughout 1924, but the general tone in business in Greater Winnipeg now appeared to show a distinct tendency towards improvement, and added commercial activity was apparent.

In regard to the Canadian Western Natural Gas, Light, Heat, and Power Company, he said that there seemed every reason to believe that the company had now a supply of gas adequate to meet the needs of the populations served, and that it would be able to satisfy all requirements and maintain a considerable surplus of gas for many years to come.

The result of increased gas supplies was reflected in the earnings of the company, which for the seven months ended April, 1925, were $972,805, as compared with $703,815 for the seven months ended April, 1924, an increase of $268,990.

In reply to a question in regard to the Canadian Western Natural Gas, Light, Heat, and Power Company, the chairman explained that the majority of the shares had been acquired by the International Utilities Corporation — an American company.

Combing Mills Want Duty on Worsted Tops Imposed

Dominion Combing Mills shareholders are being urged by the company to write their member of parliament, asking that the member use his influence and energy to have the government in Ottawa enforce the duty, which is at present on the statute books on worsted tops.

"In order that you may thoroughly understand what this means to your company," says the circular, "it is only necessary to point out that with a duty of 10 per cent. on our sales for last year of $1,369,359.87, there would be an additional revenue to the company of $136,935.98. We cannot impress upon you too strongly the necessity of having this duty enforced and we would therefore ask you to write your member without delay, urging on him the necessity of prompt action."

City Dairy Selling at Present Levels Exhausted

The selling on City Dairy common has exhausted itself with the result that the market price is now near 5 points above the price of 80 which has ruled for several weeks. City Dairy some time ago reached 87 which is on a basis of 348 for the old stock and this brought about considerable selling as around these levels many holders could sell half their stock, make a handsome profit on their original investment, over and above dividends received, and still have 50 per cent. of the new stock left. The opinion on the street is that practically all the stock to be marketed around these levels is out, and they have been looking for a move up in the price for a week or so.

The Stock Market Record

WEEK ENDING JULY 7

	Div. Rate	Yield July 6	High for week	Low for wk.	Close July 7	Close June 29	Sales	Range 1925 High	Range 1925 Low
Banks—									
Commerce	12	5.88	205	203⅛	205	204½	231	210	194¾
Dominion	12+1	6.46	201½	199¾	201¼	199½	186	201½	189
Can. Nationale	10	6.66	150	150	150	150	37	151	148
Imperial	12	6.31	190½	187½	190½	189	142	193	184
Montreal	12	4.87	247	246	247	248	227	250	240½
Nova Scotia	16	5.86	273	271	273	271	54	273	262
Royal	12	5.10	235½	234¼	235	234½	77	237½	227½
Standard	12	6.93	..	..	..	..	..	175	170
Toronto	12	5.91	204	204	204	204	3	221	192¾
Union	8	6.95	115	114¾	114½	115	221	117½	105
Paper—									
Abitibi, com.	4	5.83	69½	68	69½	68	405	75	62
Do. pref.	7	6.93	..	..	..	..	..	108	101
Brompton Pulp		....	20¼	20⅛	20⅛	20¼	170	33¼	20½
Laurentide	6	7.71	79	77	79	77¾	1127	87⅛	75
Price Bros.	2	4.76	42	41	42	40½	875	42	35⅛
Prov. Paper, com.	6	5.53	..	..	..	..	..	111¼	88¾
Do. pref.	7	7.10	100	98	98	99½	35	102	95
Belgo, com.	6	7.14	..	..	..	..	..	86	84
Do. pref.	7	7.33	95⅛	95½	95⅛	96	267	99	96¾
Smith, Howard, com		....	..	..	..	..	..	42	21¼
Do. pref.	8	7.69	..	..	..	..	..	104½	69½
Spanish River, com.	7	6.66	105¼	103	104¾	105	99	111¼	87
Do. pref.	7	6.00	116½	116½	116½	117	50	127	112½
St. Maurice Paper	6	7.31	83	82	82	84	15	86	80
Wayagamack		....	45	44½	44½	44	40	52	34½
Steel and Steel Industries—									
B. E. Steel, com.		....	1⅛	1⅛	1⅛	2	100	3¼	1½
Do. 1st pref.		....	22½	22	22½	23½	65	34	22
Do. 2nd pref.		....	7	6¾	7	7	160	11¼	7
Can. Car & Found., com.		....	..	..	..	..	..	57⅛	39
Do. pref.	7	8.64	81⅛	81	81	82	51	90¼	80
Can. Foundries, com		....	..	..	..	..	..	35	20
Do. pref.		....	40	40	40	45	10	50	40
Can. Locomotive, com.		....	..	..	..	..	..	71⅛	64
Do. pref.	7	9.09	79	77	77	80	62	90	77
Dominion Coal		....	..	..	..	..	..	50	40
Dominion Iron, pref.		....	..	..	..	..	..	28	25
Dominion Radiator	7	7.00	102	102	102	100	17	102½	100
Dominion Bridge	4	4.46	90	89½	90	90	402	94½	77½
Dom. Steel Corp., pref.		....	..	..	..	..	..	38	25
N.S. Steel, pref.		....	..	..	..	..	..	32	28
Ontario Steel, com.	4	6.66	61	60	60	59½	70	61	43
Do. pref.	7	8.14	..	..	..	..	..	100	91½
Steel of Canada, com.	7	8.04	87	86¼	87	86	842	89	75¼
Do. pref.	7	6.27	112½	111⅛	111⅛	112	85	112½	105
Milling—									
Canada Bread, com.	4	3.15	..	..	..	..	..	130	98⅛
Do. pref.	7	6.76	103½	103½	103½	103½	1	107½	100
Inter. Milling, pref.	7	7.07	99	99	99	99	35	102	97
Lake of Woods, com.	12	6.59	182	182	182	182	25	188	176
Do. pref.	7	5.60	..	..	..	..	..	125½	121
Maple Leaf, com.		....	85	84	85	87	323	100	80
Do. pref.	7	7.21	98	97½	97½	98	30	101	96
Ogilvie Flour, com.	3½	....	149½	145	149½	143	271	150	135
Do. pref.	7	5.60	125	125	125	125	15	127	121½
Shredded Wheat, com.	10	6.45	..	..	..	..	..	155	155
St. Law. Flour, com.	4	....	..	..	..	..	..	65	27
Do. pref.	7	8.91	..	..	..	..	..	80	78½
West. Can. Flour	8	7.40	110	108	110	108	58	112	107
Utilities—									
Bell Telephone	8	5.86	136¼	136	136¼	136	552	140	133
Consumers Gas	10	5.88	171	170	170	170	154	172½	164
Laurentide Power	5	4.95	..	..	..	..	..	101	93¾
Kaministiquia	8	7.27	..	..	..	..	..	125	100
Mackay, com.	7	5.44	128½	127	128½	128	84	130	114½
Do. pref.	4	5.79	69	68½	68⅛	68½	256	69½	67
Mexican Light, com.		....	..	..	..	..	..	26⅛	22
Do. pref.		....	..	..	..	..	..	62⅛	57
Mont. L. H. & Pr. Cons.	8	4.23	191	187⅛	192	189½	2224	193	152
Montreal Telegraph	8	6.83	..	..	..	..	..	55	45½
Ottawa L. H. & Pr.	6	6.25	96¼	96¼	96¾	95¾	3	105	95
Do. pref.	6½	6.40	101½	101	101½	101¼	97	105½	101
Quebec Power, com.	5	4.83	103½	103	103½	104¾	50	104¾	80
Do. pref.	7	6.43	109	108	108½	110	119	110	103½
Shawinigan	7	4.60	152½	151	152½	150¼	467	155	130½
Southern Can. Power	1.00	....	78½	76¾	78½	78½	62	84	67
Transportation—									
Can. Pacific Rly.	10	7.04	143¼	141⅛	141⅛	144	142	152¼	137
Can. Steamships, com		....	11	10	11	11	50	13¼	10
Do. pref.		....	46½	45	45¾	44	986	50	42
Tractions—									
Barcelona		....	20¼	20¼	20¼	21	100	24¼	18¼
Brazilian	4	7.20	55⅛	54¾	55¾	55½	3044	57½	49¼
Duluth-Superior		....	35	34½	34½	34	331	42	34
Illinois Traction, pref.	6	6.31	95	95	95	95	10	95½	92
Montreal Trams	10	6.06	165	165	165	165	50	173	160
Ottawa Traction	4+1	7.84	63¾	63¾	63¾	63½	6	65¼	62
Porto Rico Rlys., com.		....	46½	46	46	46¾	56	46⅛	35½
Do. pref.	7	....	..	..	..	..	..	91¼	84
Quebec Rly.		....	..	..	..	..	..	24½	20
Twin City, com.	4	5.99	69½	65	65	66½	3056	70	58
Do. pref.	7	7.21	..	..	..	..	..	97	94½
Winnipeg Elec., com.	1	....	51¼	47½	50¼	47	18387	51¼	85¼
Do. pref.	7	7.48	94½	93½	94	94	64	98	88
Textiles—									
Can. Conn. Cotton, pref.	1	....	40	40	40	39¾	20	50	39
Can. Converters	7	8.26	85½	84	85½	84	346	87	80
Can. Cottons, com.	8	6.95	115	115	115	115	4	117	106
Do. pref.	6	6.41	93½	93¼	93½	95	3	95	90
Can. Woollens, com.		....	9½	9½	9½	9½	25	14½	5
Do. pref.		....	56	55	55	56	70	58	40
Dom. Textile, com.	5	6.43	79¼	77	79½	77	1240	79¾	66
Do. pref.	7	6.00	..	..	..	..	..	116½	111
Monarch Knitting, com.		....	..	..	..	..	..	45	30
Do. pref.		....	..	..	..	..	..	80	45
Montreal Cotton, com.	6	6.06	..	..	..	..	..	99	95
Do. pref.	7	6.14	..	..	..	..	..	114½	109
Penmans, com.	8	4.93	162	162	162	161	15	166	144
Do. pref.	6	5.94	101	100	101	100½	95	101	99
Wabasso Cotton	4.00	7.14	56	56	56	56	70	60	55½
General Industrials—									
Amer. Salesbook, com.	4.00	8.51	47	47	47	49¾	15	50½	38
Do. pref.	7	7.50	93½	93	93¾	93	39	93¾	88
Asbestos, com.	1	....	83	77	79⅛	80	15308	83	35
Do. pref.	6	5.43	117	108	110	114	5403	117	73½
Atlantic Sugar, com.		....	30½	30	31¼	31¼	1933	32	13
Do. pref.		....	75⅛	75	75⅛	93	265	93¼	88
Bird & Son, pref.	7	8.61	81¼	81½	81¼	83	10	83	80
B.C. Fishing		....	46½	41½	46½	41¼	3803	46½	19
Burt, F. N. com.	10	4.54	55	52¾	55	52¾	275	55	44
Do. pref.	7	3.50	..	..	..	..	..	200	142½
Canada Cement, com.	6	5.94	102½	100	102½	102½	45	110½	90½
Do. pref.	7	6.19	114	112½	118	114	41	115½	107
Cons. Rubber, pref.	7	....	..	..	..	..	..	90	86
Can. Gen. Electric, pref.	7	6.60	53	52½	53	53½	90	55⅛	51
Can. Indust. Alcohol	1.28	8.03	15½	14½	15½	15½	1375	20½	14
Canadian Salt	8	5.92	135	135	135	133	10	135	112
Christie Biscuits, com.		....	54½	54½	54½	56½	25	56½	51½
Do. pref.	7	5.93	..	..	..	..	..	118	109½
City Dairy, com.	12	3.75	80⅛	79¼	80⅛	80	95	87¼	65
Do. pref.	7	6.60	106	106	106	107½	7	110	104½
Crows Nest Coal	3	6.88	47	44	47	43¾	60	49½	35
Cuban Can. Sugar, com.		....	8	5	5	6	337	10	5
Do. pref.		....	33½	33½	33¼	32½	35	44½	31
Wm. A. Davies		....	27¾	25	25	27½	160	32	24
Dodge Bros.		....	..	..	..	..	..	24½	22
Do. pref.	7	8.64	81	81	81	83½	10	88½	80½
Dom. Canners, com.		....	100	97½	100	102	1008	110	97
Do. pref.	7	6.76	104⅛	103¼	104	106	660	118	56½
Dom. Glass, com.	7	6.25	112	112	112	118½	25	116⅛	108½
Do. pref.	7	6.30	..	..	..	..	..	112	110¼
Dominion Stores, com.	1.00	....	36	33½	36	35	38	36	24
Do. pref.	8	8.16	98	98	98	98	5	101	97
Eastern Theatres, com.		....	..	..	..	..	..	15	14
Do. pref.	7	9.58	73	73	73	73½	10	76	70
Ford Motor	10	....	500	488	500	500	53	512	500
Frontenac Breweries, com.		....	..	..	..	..	..	65	54
Do. pref.	7	7.00	..	..	..	..	..	100	100
Goodyear Tire, pref.	7	7.62	91¼	91	91	92	89	100½	90
Gilman, com.		....	100	100	100	100	5	100	80
Do. pref.	7	6.45	109	108½	108½	109½	53	110	100¼
Holt, Renfrew, pref.	7	8.97	76¼	76½	76½	76¼	50	82	65
King Ed. Hotel		....	..	..	..	..	..	27	20
Lyall Construction		....	20	19	19	20	120	29	11
National Brew., com.		....	46½	43⅛	46	43¾	2191	68	41¼
Do. pref.	7	7.07	..	..	..	..	..	106½	98
National Brick, com.		....	15	15	15	15	55	18	15
Do. pref.	7	9.39	74½	73½	73½	74	14	79½	70
Pacific Burt, com.	6	6.41	..	..	..	..	..	96	91½
Do. pref.	7	6.98	101	101	101	101	12	107	101
Port Hope Sanitary, com.		....	..	..	..	..	..	64⅛	53
Do. pref.	7	7.58	..	..	..	..	..	92⅛	88½
Pure Gold Mfg.	50c	....	..	..	..	..	..	25¼	23½
Rogers, Wm. A. com		....	53	53	53	58	3	65	53
Do. pref.	7	7.77	90	89	89½	89	47	95	88
Russell Motor, com		....	..	..	..	..	..	35	24
Do. pref.	7	8.23	..	..	..	..	..	86	74½
Sawyer-Massey		....	..	..	..	..	..	..	..
Sawyer-Massey, pref.		....	..	..	..	..	..	15	5
Sherwin-Williams, com	6	4.70	..	..	..	..	..	130	115
Do. pref.	7	6.52	107⅛	107¼	107⅛	107¼	75	107⅛	104¾
Sterling Coal	4	9.87	40½	40½	40½	40½	5	53	40
Tooke Bros., com.		....	..	..	..	..	..	8	8
Do. pref.		....	..	..	..	..	..	62⅛	37
Tuckett Tobacco, com.	4	6.40	62	62	62	62¼	170	70	59
Do. pref.	7	7.00	100	99½	100	101	..	102¾	96¾
Woods Mfg., com.		....	30	30	30	34	36	49	20
Do. pref.	7	10.00	..	..	..	..	25	75	64¼
Western Grocers		....	..	..	..	..	..	11¼	4½
Trust and Loan—									
Canada Land	10	5.31	95	94	94	94	43	97	80
Can. Permanent	12	5.97	201½	201	201	201	18	209	190
Colonial Invest.	6	....	..	..	..	..	..	4½	4
Hamilton Prov.	10	6.45	..	..	..	..	..	156	154
Huron & Erie	7	5.46	..	..	..	..	..	125	125
Landed Banking	9	6.33	..	..	..	..	..	142	142
Montreal Loan	12+1	6.76	..	..	..	..	..	48	45
National Trust	12	5.42	221½	221	221½	219	27	223	210
Ontario Loan	11	5.55	..	..	..	..	..	100	99
Real Estate Loan	7	8.04	..	..	..	..	..	88½	87
Toronto Gen. Trusts	12	5.66	212¼	212¼	212¼	210	3	212	208
Toronto Mortgage	10+1	5.94	..	..	..	..	..	92	87¾
Union Trust	7	8.23	..	..	..	..	..	85¼	85⅛

UNLISTED SECURITIES
Industrials, Utilities, Etc.—

	Bid	Asked
Brooks Steamer (1 pref, 2 com)	..	5
Can. Machinery, com.	3½	6
Can. Machinery, pref.	13	17
Canadian Oil, pref.	92	95
Can. Westinghouse, com.	146	149
Cockshutt Plow, pref.	36	37
Cosgrave Brewery	5.50	6
Dom. Comb. Mill (1 pref, 2 com)	30	38
Dom. Power, pref.	93½	95½
Durant (A)	3¾	..
Durant (B)	4½	..
Durant (C)	5⅛	..
English Electric, pref.	35	37
Famous Players, com.	12	14
Gunns, Ltd., pref.	32	34
Imperial Tobacco	6½	7⅛
King Edward Hotel Deb. A	71	..
King Edward Hotel Deb. B	50	..
K. & S. Tire, pref.	7	10
Loew's Toronto, com.	27	28
Loew's London, com.	1¼	..
Loew's Ottawa, pref.	13	16
Massey-Harris	49	50½
Mount Royal Hotel, com.	4	5½
Mount Royal Hotel, pref.	29½	31
North Mexico Power, com.	32	34
Manitoba Power, com.	21	23
Rickenbacker Motors	3	4
Simpson, Robt., pref.	98	..
United Securities, com.	55	57
Western Grocers, pref.	28	31

UNLISTED BONDS
(Montreal Stock Exchange)

	Bid	Asked
Abitibi 6% 1940	100½	101½
Alabama 5% 1962	93	93½
Algoma Steel 5% 1962	29	32
Belding 5% 1936	85	..
Belgo Can. Paper 6% 1943	100	101¼
Brand-Henderson 5% 1939	91	93
Burns, P. & Co. 6½% 1943	101	102½
Can. National Rly. 5% 1954	100⅛	101½
Calgary Brewing 5% 1942	83½	..
Can. Steamship Lines 7% 1942	99	100
Can. Light & Power 5% 1949	..	55
Can. Pacific Rly. 5% 1934	99⅞	100½
Can. Steel Foundries 6% 1936	..	..
Dom. Iron 5% 1939	45	48
Dom. Power 5% 1932	96⅞	..
Dom. Textile 6% 1949	105½	..
East Koot. Power 7% 1942	100½	102
Frontenac Brewing 6% 1951	..	..
H. Smith Paper 6% 1934	99	..
Lake Sup. Paper 6% 1941	105½	107
Laurentide Power 5% 1946	99½	..
Laurentian Power 6% 1936	99½	..
Maple Leaf Milling 6½% 1943	104	..
Man. Power 7% 1941	103	104
Mattagami 7% 1949	32½	36
Montreal Steel Works 6% 1940	100	..
Prov. of Ontario 5% 1948	100⅛	101⅛
Nor. Ont. Power 6½% 1931	98¾	99½
Ontario Pulp 6% 1931	106	..
Price Bros. 6% 1943	100	100⅛
Quebec Power 6% 1953	102¼	102¼
Shaw. Cotton 6% 1949	..	85
South Canada Power 6% 1948	103½	..
Spanish River 8% 1941	106¼	108
St. Maurice Power 6½% 1953	108¼	109¼
West. Koot. Power 6% 1943	102¼	..
West Power 5% 1949	93	95

B.C. Takes Steps to Develop Her Fur-Bearing Animals

From Our Own Correspondent.

VANCOUVER.—This is the age of the skunk and muskrat, according to fur experts, and British Columbia's game board is using its best efforts not only to conserve these species but to develop them so that the province may share in the high prices that are now offered for them in the world's fur markets.

Muskrat and skunk, however, are not the only species that are being given the attention of the game board. One of the reasons why these two varieties of fur have gained such prominence is that some of the others have become practically unobtainable and have ceased consequently to be a factor in the market. Each year British Columbia is becoming more important as a source of fur, because of the gradual depletion of the supply in other regions.

According to a census recently completed, there are approximately 725,000 muskrats in British Columbia at present, the value of the pelts sold last season being $905,250. The beaver population is placed at 122,000, with the value of the season's fur takings at $1,764,120.

Population figures for the other fur animals and the value of the takings are as follows: Fisher, marten, mink, otter, weasel, 289,000, $3,265,590;; coyote, lynx, wildcat, wolf, wolverine, 43,250, $849,653; bear, 11,000, $101,570; raccoon and skunk, 28,000, $106,100; silver, cross and red fox, 5,200, $181,028.

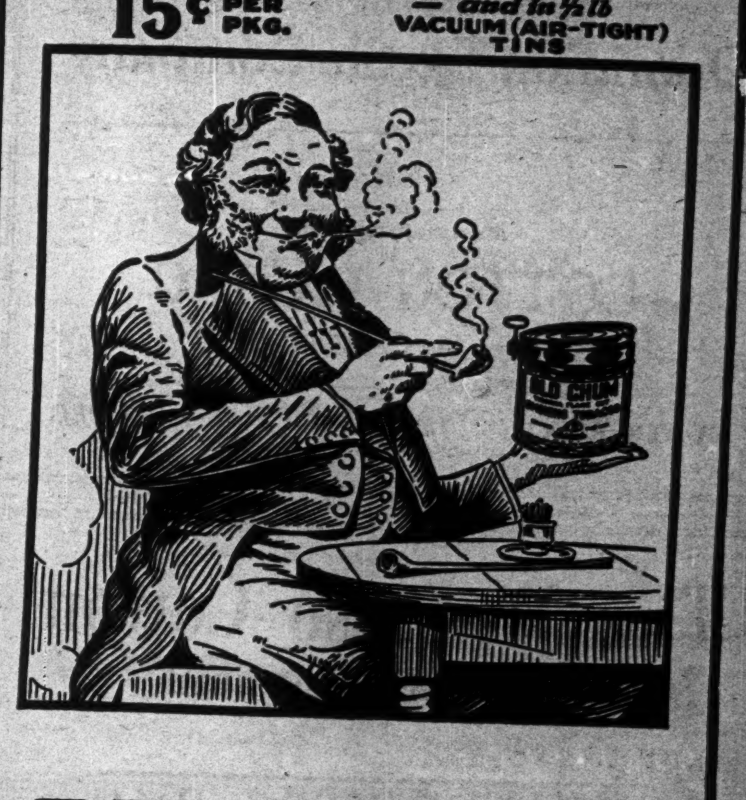
Besides these there are on farms 665 silver fox, 29 cross, 29 red and 80 blue foxes, 71 beaver, 92 mink and some others.

OGILVIE SELLING HIGHER

Ogilvie common has moved up to 155 as compared with 145 at the first of the month and 135 in May. The present level is on a basis of 465 on the old stock as compared with the last sale of the old at 405 early in the year.

ATLANTIC SUGARS ORDERS

MONTREAL.—Atlantic Sugar Refineries, this week closed several large contracts for sugar for export to Great Britain. The contracts call for September delivery. The continuance of the low raw sugar market has made conditions favorable for the refineries and the closing of these large orders for September delivery would indicate that there is every chance of business continuing to be good right through to the end of the year. The action of the British buyers also indicates that the very large shipments being made throughout the summer months will not be sufficient to take care of the requirements of the European customers of Atlantic Sugar.



15¢ PER PKG. — and in ½ lb VACUUM (AIR-TIGHT) TINS

OLD CHUM

The Tobacco of Quality

Advertising Lineage

In U.S. and Canadian Magazines for 1924 and 1923

A Comparison

In the January, 1925, issue of "National Advertising" a list was given of the leading magazines of United States and Canada together with the advertising lineage carried by each in 1924 as compared with 1923.

MacLean's was one of the few that showed a substantial gain in advertising lineage last year. Other of the best known magazines which showed gains are the following:

MACLEAN'S MAGAZINE made a gain of 13.6%
Saturday Evening Post made a gain of 11.0%
Cosmopolitan made a gain of 10.4%
Woman's Home Companion made a gain of 6.5%
Western Home Monthly (Canadian) a gain of ... 6.5%
Good Housekeeping made a gain of 3.3%
Ladies' Home Journal made a gain of 3.2%
Pictorial Review made a gain of 2.9%
American Magazine made a gain of 0.9%

No gains in advertising lineage were recorded for any other of the widely used United States magazines; and the two shown in the above list are the only Canadian magazines that showed gains last year.

In the face of these figures the showing which MacLean's is making in comparison with the best magazines on this continent is convincing evidence of the increasing esteem in which MacLean's is held by advertisers.

It is because MacLean's has the enthusiastic interest of its readers that it brings such gratifying results to its advertisers.

Dominion Textile Company
LIMITED

Manufacturers of
COTTON FABRIC

MONTREAL TORONTO WINNIPEG

The Wabasso Cotton Company, Limited

THREE RIVERS, P. Q.

Manufacturers of Fine White Cotton, also Spinner's Fine Counts of Yarns

Atlantic Sugar Refineries
LIMITED

General Offices:
211 McGILL STREET
MONTREAL

Refineries - St. John, N.B.

DOMINION BRIDGE CO.
LIMITED
Montreal, P.Q.

ENGINEERS, MANUFACTURERS AND ERECTORS OF STEEL STRUCTURES

HEAD OFFICE AND WORKS: Lachine Locks, P.Q. P.O. Address, Montreal, P.Q.
BRANCH OFFICE AND WORKS: Toronto, Ottawa, and Winnipeg.

Sales Offices: Montreal, Ottawa, Toronto, Winnipeg, Regina, Edmonton, Vancouver.

Automobile and Piano Paper
MANUFACTURERS FINANCE CORPORATION LIMITED
TORONTO, Federal Building
AUTHORIZED CAPITAL - $6,500,000

P. Lyall & Sons Construction Company, Limited
Toronto - Montreal - Ottawa

Penmans
LIMITED

Manufacturers of High-Grade
Knit Underwear, Hosiery, Sweaters

MILLS AT
PARIS, Ont. BRANTFORD, Ont. LONDON, Ont. WATERFORD, Ont.
ALMONTE, Ont. COATICOOK, Que. and ST. HYACINTHE, Que.

General Office: Paris, Ont.
Selling Agents to Wholesale Trade:
JOHN GORDON & SON,
Toronto and Montreal

Pulp and Paper

SOUND POSITION OF LAURENTIDE IN INDUSTRY

Financial Structure Will Aid in Weathering Price-cutting Storms

From Our Own Correspondent.

MONTREAL.—At present prices, the stock in the Laurentide Company yields the investor almost 8 per cent. Present market prices are around 77 or 78. In view of the high return which this stock gives, it is worthy of notice at the present time. It will be some months, probably, before the smoke clears away with regard to the lower newsprint prices. Between now and then, the investor can, if he watches closely, obtain a better idea of the eventual course of the industry; he can learn whether or not the companies can make money at lower prices and he should be able to find out whether the present depression in the newsprint stocks is at an end or whether it is likely to go further. The future for the Laurentide Company is of necessity linked up with the future of the newsprint business as a whole.

The daily production amounts to about 400 tons of newsprint. This is made from the timber cut on the company's own limits, which of late have had to be cut further and further away from the mill, a situation which is being arighted to some degree by an agressive policy of reforestation. The wood is taken into the mill at possibly as high a figure as any other mill in Canada, but this is more or less offset as the company pursues a conservative course in the treatment of its earnings. It is understood that the allowance for depletion provides for the covering of the valuation of the timber limits every ten years, or in other words, ten per cent. annually goes to depletion account.

Long Career

The company has had a long and successful history, that is, long as far newsprint companies go. It commenced operations first in 1890. The end of the company's fiscal year is at June 30, and the annual report will be published probably within the next four or five weeks. Earnings during the last three years have averaged 6.8 per cent. on the common stock. It is to be noted that the stock represents the entire ownership of the company as there is no bond nor preferred stock issue. The total outstanding is $28,800,000.

Adjoining the mill of the Laurentide Company lies the plant of its subsidiary, the Laurentide Power Company. The latter serves only two customers, the parent concern and the Shawinigan Water & Power Company. Earnings and dividends of this subsidiary, in which Laurentide owns 75 per cent. of the stock, have moved steadily upward since its inception and the stock in the power company is carried at well below the market value on the balance sheet.

As far as labor is concerned, Laurentide is in an enviable position. The employees have always been well looked after and a large number of them own stock in the company. The result has been that no labor trouble of any sort has ever been experienced.

The Financial Position

As to the actual position in which the company is in, the balance sheet shows that it is in first class shape with nearly $7,000,000 of working capital. This should be compared to a total capitalization of $28,800,000 to reveal the soundness and strength of the company and the good position in which it finds itself with which to meet possible trouble and lower prices in the newsprint business.

One final thing about the company is best revealed by a story which is told of George Chahoon, the president. It appears that Chahoon, that's the way the story goes, went out on a selling trip. He told his customers that Laurentide made the best newsprint in the world. On his return to the plant, he called the staff together and told them of what he had said when selling his production and put it up to them to make good his statements. It is known, that although Laurentide does not possibly make the best newsprint in the world, yet at the same time its newsprint is recognized as being a remarkably good product. Looking at the situation in a broad way, it seems possible that the next little while may be full of a number of pitfalls as far as the producer of newsprint is concerned; the Laurentide Company's handicap consists in high costs which are possibly more than offset by its financial strength which should stand it in good stead, if, by any remote chance, the pace gets too fast and furious in the newsprint industry.

Work Starts Soon on Manitoba Pulp Mill

MONTREAL. — Winnipeg dispatches this week state that a 200 ton paper mill will be erected at a cost of $4,500,000 at Port Alexander, Man., by the Spanish River Pulp and Paper Company in conjunction with the J. D. McArthur interests of Winnipeg.

It is estimated that the new mill will give employment to 500 men annually, and to 1,200 men for seven months of the year during the logging operations.

Port Alexander is 75 miles north of Winnipeg lying at the mouth of the Winnipeg River, a short distance from Victoria Beach on the Canadian National Railways Lake Winnipeg branch. Construction work on the mill will commence immediately.

LAURENTIDE HAS HOLIDAYS

MONTREAL.—The record of the Laurentide Company has always been marked with the happiest relation with its employees. This has been due to the interest which the company has always taken in the employees welfare. This policy is being continued, and this week from Grand'Mere comes the news that the company intends this year to inaugurate for the first time a vacation for its employees with full pay.

Commencing this summer, therefore, all the employees who have five years of continuous service with the company will have a week's vacation with full pay.

$2,500,000 MORE FRASER BONDS FOR NEW MAINE MILL

Formal Announcement of Offering Being Made This Week

From Our Own Correspondent.

MONTREAL.—The formal offering of $2,500,000, 6 per cent., first mortgage sinking fund bonds of the Fraser Companies is being made this week by the Royal Securities Corporation and Wood, Gundy & Co.

This additional issue of the first mortgage bonds of the Fraser Companies was first announced and reviewed in The Financial Post in the middle of June; when the present financing is completed, the capitalization of the company will be as follows:

	Authorized	Outstanding
1st mortgage bonds	$10,000,000	$6,000,000
7 per cent. pfd.	3,000,000	1,950,000
Common stock	10,000,000	10,000,000

The net earnings of the company, before allowance for depletion and depreciation for the year 1924, amounted to $999,218 and the annual bond interest requirements, including this issue, amount to $360,000.

In connection with this issue of bonds, the Royal Securities Corporation has published a booklet which gives a complete resume of the wood pulp industry in Canada and deals also with the manufacture of bleached sulphite wood pulp, showing just how the pulp is manufactured. In dealing with the Fraser Companies in particular the booklet says:

The timber properties owned and leased by Fraser Companies, Ltd., contain a very large amount of spruce and other pulpwoods and for their advantageous utilization in the manufacture of chemical pulp the company, in 1919, erected at Edmundston, New Brunswick, a bleached sulphite pulp mill with an initial capacity of 35,000 tons per annum, since increased to 42,000 tons, and acquired an unbleached sulphite pulp mill of 16,000 tons annual capacity at Chatham, N.B.

The company has developed, at the junction of the Madawaska and St. John rivers, half a mile from the Edmundston mill, a hydro-electric power of 2,000 horsepower installed capacity. From this development and from an auxiliary steam plant burning waste from nearby sawmills, power for operation of the mill is obtained at low cost.

The Chatham mill has been in operation on its present site since 1896, but has been gradually rebuilt with modern improvements during recent years. Through its location at deep water on the Miramichi River, the mill is able not only to obtain delivery of wood and coal by water but also to ship its finished product direct by cheap water routes—factors which give it strong competitive advantages.

While Fraser Companies, Ltd., has now become established as one of the leading high grade pulp manufacturers of the Dominion, the company also is the largest manufacturer of spruce lumber and cedar shingles in Eastern Canada. Its twelve sawmills are well located as regards accessibility to timber areas and to delivery points.

The company owns 210 square miles of freehold timber lands, located mostly in the eastern part of the Province of Quebec and in the Province of New Brunswick in the vicinity of Lake Temiscouata and the Edmunston mill. It controls by lease from the Province of Quebec 859 square miles and from the Province of New Brunswick 1,120 square miles of timber lands.

These timber areas, totalling approximately 2,189 square miles, situated on watersheds of the St. John, Restigouche, Tobique, Miramichi, Madawaska and other rivers tributary of the company's principal plants, are estimated to contain 1,892,000,000 feet (board measure) of spruce, pine and cedar sawlogs and 4,998,000 cords of pulpwood.

Through ownership of all the capital stock of Stetson, Cutler & Co., Ltd., Fraser Companies also control 2,100 square miles of Quebec and New Brunswick leasehold timber lands and 54,000 acres of New Brunswick freehold timber lands, together with sawmills equipped to produce about 60,000,000 feet of lumber annually.

The real estate, buildings, freehold and leasehold timber limits, manufacturing plants and other operating properties of Fraser Companies (exclusive of the Stetson Cutler properties controlled by the company through stock ownership, but including the value of the Madawaska mill now under construction), represent a total investment in excess of $17,000,000. In addition to the company's investment in these fixed assets, a considerable amount of liquid capital is required to operate such a business where large supplies of raw material and finished product have to be carried, and these net current assets —or "working capital"—as utilized in Fraser Companies' business, approximate $4,000,000. So that the total capital required to establish and operate the company's business is in excess of $21,000,000.

Practically the entire output of Fraser Companies is sold abroad, either in the United States or overseas, and the gross value of sales of the company and its subsidiaries is in excess of $10,000,000 per annum, representing a most important contribution towards the favorable balance of export trade which has been built up by Canada and also towards the earnings of Canadian railway and shipping companies.

CANADIAN INDUSTRIAL ALCOHOL

Shareholders of Canadian Industrial Alcohol now total 1,502, the greatest number yet recorded by the company, and 300 more than were on the list at the time of the previous dividend. From this increase in the number of holders it would seem that the recent decline of stock has induced buying. Nothing new is reported with regard to the company's operations, other than that business is running along as usual, results being only slightly below those of last year.

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CANADIAN SALT LISTED

MONTREAL. — Announcement has been made that 12,000 shares of the Canadian Salt Company, will be listed on the Montreal Stock Exchange this week. The company has an authorized capital of $1,500,000 divided into 5,000 shares of the par value of $100 each. Up to the present, 12,000 shares have been issued and are outstanding, and of these 4,000 were issued in March, 1920, as a stock bonus of 50 per cent. The dividend rate is 8 per cent. and the stock has recently sold above 130 on the Toronto Stock Exchange, where it has been listed for many years. Earnings were 10.58 per cent. in 1924, 10.84 in 1923, and 11.47 in 1922.

DETROIT UNITED REFINANCE PLAN FALLS THROUGH

Will Bondholders Find Purchaser or Change Bonds for Stock?

From Our Own Correspondent.

MONTREAL.—During the short time that the receivers have been in charge of the Detroit United Railways they have been successful in securing higher fares and reducing operating costs at the rate of $1,500,000 a year. In addition, they have developed a freight business which holds forth promise of becoming very profitable. All this indicates better business for the D.U.R. in future and it is a significant thing that it was the American shareholders in the road who responded to the recent assessment of $40.00 per share. Possibly those near the scene of the company's operations are better able to judge of its future.

In course of time the company will be put up for sale. If purchasers can be found willing to pay more than the amount of the defaulted bonds, the road will go to them and the bondholders will receive their interest up to date. Should no purchaser be found, the bondholders must forego interest at present, but the road itself gives every indication of being able to earn money for them.

May Exchange Bonds for Stock

This being the case, the bondholders might decide to take stock in the reorganized company and await developments. However, this is looking a little too far ahead, as in the meantime no decision has been reached as to when the company will be put up for sale.

One other thing for which the receivers have been responsible is the large increase in revenue from the operation of buses. When the receivers of the road took over the company, there may have been some ready money on hand with which to meet current expenditures, but there was certainly very little. In the few months in which the receivers have operated the road, they have been able to build up a cash reserve to the extent of over $600,000 which would have been sufficient to meet the interest payments which fell due on July 1, but it was deemed advisable to use these funds for certain essential capital expenditures.

It is understood that foreclosure proceedings on behalf of the bond holders will be inaugurated at any time now. The capitalization of the company at the time of the default on the bonds was as follows:

Capitalization—	Authorized	Outstanding
Common stock ...	$25,000,000	$15,375,000
Funded Debt—		
4½% bonds, due 1932		$11,000,000
Underlying bonds on property..		857,000
6% first mortgage gold bonds...		8,472,000
Underlying bonds of subsidiary companies ...		8,325,600
6% collateral trust notes, due 1926		325,000
Gen. equipment trust certificates "A" due 1934		1,000,000

Three Issues Defaulted

The three issues on which the company did not meet the interest were the 6 per cent. first mortgage bonds of which there are outstanding $8,472,000; the other two issues defaulted were bonds of two of the subsidiary companies; these bonds are included in the total shown in the capitalization at $8,325,500. It is understood that most of the latter two issues are held in the United States.

With regard to the 6's which are due in 1929, this issue was put out by the firm of Dillon, Read and Company, who were responsible for the recent deal in Dodge Motors and who are now engaged in negotiating the consolidation of all the asbestos interests of this country. It is expected that this American investment house will interest itself in looking after the bondholders' interests.

No Ready Money

The one trouble under which the road is laboring at the moment seems to be the shortage of ready money. The average man will say that if the future is bright why the money should be forthcoming. But in the case of the D.U.R., the road for the last ten years has experienced practically nothing but declining earnings and, in addition, the public appears to feel that too optimistic reports were being issued by the management; so that it looks as if capital were frightened of the project. This is no doubt one reason why so many of the shareholders paid but little heed to the reorganization scheme when it was placed before them.

Shares of Detroit United are now off the list, the stock exchange having been instructed to drop quotations. Thus passes an issue which for several years has been popular with traders. How the fortunes of the concern has fallen is shown by the fact that just a year ago a 1 per cent. common dividend was paid. In 1916 D.U.R. stock sold at 128 and last year the high was 70. When taken off the market the price was 2.

Sinking Fund Payments Met by Borrowed Money

From Our Own Correspondent

MONTREAL. — As far as the bondholders are concerned, the feature of the report presented by the auditors of the Canadian Light and Power Company is the statement that the sinking fund payments have been met out of borrowed money since 1914 up until the end of June last year.

The trust deed covering the issue of the $6,500,000 par value of bonds authorizes a sum equal to one per cent. of the par value of the bonds issued should be paid by the company to the trustees, commencing on the first of July, 1914. It does not stipulate that the sinking fund must be paid out of earnings. Up to June 30, 1924, the sum of $585,000, being at the rate of $65,000 per annum for 9 years, has been paid to the trustees.

Gas Companies Seemingly Have Little to Fear of Electricity

Any idea that the use of gas is being reduced or is likely to be reduced because of the wide adoption of electricity, is disposed of by a study of the figures. George P. Hughes, a New York expert, in a copyright article in the Evening World, points out that during the six years from 1919 to 1924, the consumption of artificial gas increased about one-third. In 1924 the amount used was 405,000,000,000 cu. ft., which was a gain of 20,000,000,000 cu. ft. over 1923. According to Mr. Hughes the gas industry occupies a place which there is no present sign anything else can take. New uses for gas are constantly being found as its merits are becoming better appreciated.

Opportunities for the employment of gases in industry are constantly being taken advantage of by the big gas companies in Canada. The industrial department of the Consumers Gas Company, Toronto, issues a handsome publication called gas in the industry, in which illustrated articles appear telling of the varied and new uses to which gas as a fuel may be put.

The Consumers Company, despite cheap electricity, is at present marketing fifty per cent. more gas than ten years ago and big extensions to plants are being made to take care of the constantly growing demand. With about 143,000 customers now on the company's lines it is believed that the extensions now planned will serve another 10,000 customers. The volume of gas sold per annum per unit of population increased from 6,888 cu. ft. in 1915 to 8,708 cu. ft. in 1924.

The company expects that the use of gas for industrial purposes will increase very rapidly in the next few years. At the last annual meeting Arthur Hewitt, the general manager, predicted not only a growth in industrial demand, but stated that within two or three years the company would be equipped and prepared to take on house-heating business on a large scale.

TWIN CITY LIKELY TO FIGHT NEW FARE

Order to Sell 10 Tickets for 60c Not in Keeping with Company's Demands

The decision that Twin City can charge an 8 cent cash fare but must sell tickets at the rate of 6 cents in the cities of Minneapolis and St. Paul, is seemingly not regarded for the moment as favorable. The shares weakened somewhat following the announcement. Twin City has been getting a six-cent fare and while the decision sets forth that the company shall sell ten tickets for 60 cents, it can be said that the order puts it easily within the power of regular riders to continue to ride for 6 cents. Reports from Minneapolis are that the decision is regarded there as something of a straddle by the commission as between the desire to favor the riding public and at the same time make possible a nearer approach to an adequate return on street railway property valuations as recently determined by the commission itself. The company, while finding its position materially bettered, has not been granted anything at all commensurate with what it has contended it should have to earn a fair return on its investment, and an appeal probably will be made to the courts.

CALGARY POWER HAS INCREASED EARNINGS

Both Net and Gross Are Much Increased—5.09% on Common

From Our Own Correspondent.

MONTREAL.—Added interest is given to the publication of the annual report of the Calgary Power Company in view of the recent criticism of the company which emanated from abroad.

The criticism certainly is not justified in view of the fact that for the fiscal year ending December 31, profits both the gross and the net show a large increase.

The net profits, after all charges, were equivalent to 5.09 per cent. on the capital stock outstanding as compared with less than 2 per cent. in each of the two prior years. The gross earnings were some $40,000 higher and amounted to $357,787 as compared with $317,727 in 1923. This gain has been accomplished with only an increase of $1,919 in the operating expenses. The net income is up from $46,215 to $96,823. The allowance for depreciation was lower by $20,000 this year due to the fact that 1922 and 1923 bond discount was included in depreciation.

The working capital position of the company for the past two years compares as follows:

	1924	1923
Curr. assets	$ 266,465	$ 392,213
Curr. liabilities	23,420	5,528
Net Wkg. Capital ...	$ 243,045	$ 386,685

The reduction of the working capital is due to the fact that the company drew on its current resources for additions to the property through the year.

On the balance sheet, the assets, carried under properties, show an increase of $257,730, while the investments show a decline of $119,124 only. These are the only two major changes in the balance sheet. The surplus and the reserves have moved upward over $144,000 from the preceding year.

Profit and loss figures compare as follows:

	1924	1923	1922
Gross earn.	$357,787	$317,727	$295,676
Other	14,169	15,687	11,132
Total inc.	$371,956	$333,414	$306,808
Op. exp.	69,257	67,338	61,978
Balance	$302,699	$266,076	$244,830
Bond int.	144,357	146,471	150,052
Balance	$158,342	$119,605	$ 94,778
*Deprec.	50,000	70,000	50,000
Balance	$108,342	$ 49,605	$ 44,778
Income Tax	11,519	3,390	12,318
Balance	$ 96,823	$ 46,215	$ 32,460
Extraord. exp. ...	......	15,424	......
Surplus	$ 96,823	$ 30,791	$ 32,460
Prev. surp.	263,206	232,415	199,955
	$360,029	$263,206	$232,415
Adjust.	3,443	......	......
P. & L. Surp.	$363,472	$263,206	$232,415

*Including bond discount in 1922 and 1923.

Additions to property account during the year 1924 amounted to $259,730, consisting chiefly of the cost of a new transmission line between the company's plants and the City of Calgary referred to in the last annual report, which was constructed within the estimated cost and put into operation in September last. In order to provide funds for these additions, it will be noted that investment account has been reduced by $119,124, the balance being taken from current funds.

The year 1924 was the first full year under the contract entered into with the City of Calgary in 1923, and it is gratifying to note the increase shown in the profits of the company resulting from the operation of this contract.

SHAREHOLDERS' LIST INCREASE BY 75%

Good Response to Shawinigan Campaign—Will be of Benefit to Company

From Our Own Correspondent

MONTREAL. — The ownership campaign of the Shawinigan Water and Power Company, which closed at the end of June, more than trebled its objective of 1,000 new shareholders for the company. Previous to the campaign, the company had 4,400 shareholders, and this number was increased by 3,300 within two weeks, or an addition to the stockholders' list amounting to 75 per cent. There were sold approximately 12,000 shares representing a value of $1,600,000. The new shareholders secured totalled 11 per cent. of the company's customers in the districts in which the campaign was put on.

The territory covered lay between the cities of Montreal and Quebec, exclusive of these two cities. Stock was sold to the customer at $132 per share which makes a net yield to the purchaser of 5.3 per cent. at the present dividend rate, and payments were made in cash, or deferred payments stretching over 10 to 20 months—however, no delivery of stock will be made until the 10 months from July 1. A limit of 5 shares was placed on each subscription and not more than 10 shares were sold to any one household.

Benefit to Shareholders

The stockholder may wonder just what benefit he will obtain by a new issue of stock being sold at a discount to other than shareholders. There are many advantages in having customers interested in the welfare of the company. For example, often some of the smaller municipalities are inclined to pass legislation hampering utilities — there will be less chance of action of this nature, if the company's stock is held in the community which it serves. In other words, the present shareholder, by allowing his company to sell stock at a discount, assures fair treatment toward the company in the future.

One other thing customer ownership accomplishes is the lessening of legislation and trouble over rates. Less and less are ward politicians able to draw applause by reference to the high rates which are being gouged from the public by the soulless public utilities. This is probably due to the fact that customers are more and more investing in the securities of utilities which serve them and also due to a better public appreciation of the difficulties under which utilities operate.

WINNIPEG ELECTRIC WILL SELL PULP MILL

Public Respond to Improving Position of Company—Has Advanced Prices

From Our Own Correspondent.

MONTREAL.—For some time now, newspapers have been drawing attention to the increased earnings and improved prospects of the Winnipeg Electric Company. Last week, another interim dividend was announced. It was this last which appears to have created a considerable public interest and better appreciation of the possibilities of this Winnipeg utility, for the buying of the stock has been heavy and has resulted in increased prices.

Some of the principal factors which have increased the earnings of the company and have cut down its operating costs include the recent satisfactory arrangement which was made with the local Hydro Electric, whereby the Hydro Electric took over the company's distributing system within the city limits. This arrangement enabled Winnipeg Electric to sell an equal amount of power but at the same time to cut down its operating cost as there were distribution expenses.

One other thing which has favorably affected the earnings is the fact that the Hydro Electric has had trouble at its plant and has been forced to purchase a considerable block of power from the company. It is anticipated that this demand will continue. Those who are at present buying the company's stock may possibly be figuring also on a regular 4 per cent. dividend—this may occur, but also it is laboring the obvious to say that if Canada goes forward at all, Winnipeg must move with it. Therefore, for the future, the company must have an increased demand for power. Just as soon as the entire output of the subsidiary, the Manitoba Power Company, is all in use, the stock must advance. The fact that the Spanish River Pulp and Paper Company in conjunction with the J. D. McArthur interest of Winnipeg, will erect a pulp and paper mill in northern Manitoba indicates another outlet for the surplus power. This 200 ton mill, which will be situated ten miles away from the company's plant, will require approximately 20,000 horse-power. It is understood that negotiations for the sale of power, upon completion of this unit, are under way.

The valuation by the city of the distributing system which the Hydro will acquire has been made. The agreement is to come before the city council next week for ratification, and it is known

Montreal Company Has Liberal Gas Main Policy

MONTREAL. — The gas distribution department of the Montreal Light, Heat and Power Cons. is exceeding this year all previous construction records for laying high and low pressure mains. The authorization given by J. S. Norris, the company's vice-president, to proceed with extending gas service to the Home of Incurables at Cartierville, brings the total of gas mains to be laid during the present year to over fifty miles, which, including service mains, will represent an expenditure of nearly $1,000,000. Some of these mains are for the purpose of reinforcing already existing gas distribution, assuring thereby better service, others to bring gas service to localities not provided with gas facilities.

Since spring of last year, the company has introduced a much more liberal policy in the matter of gas mains extensions than ever before. At present, a householder, whose monthly consumption of gas would equal the average residential consumption, is accorded gas service if his dwelling is located within 75 feet of an existing gas main.

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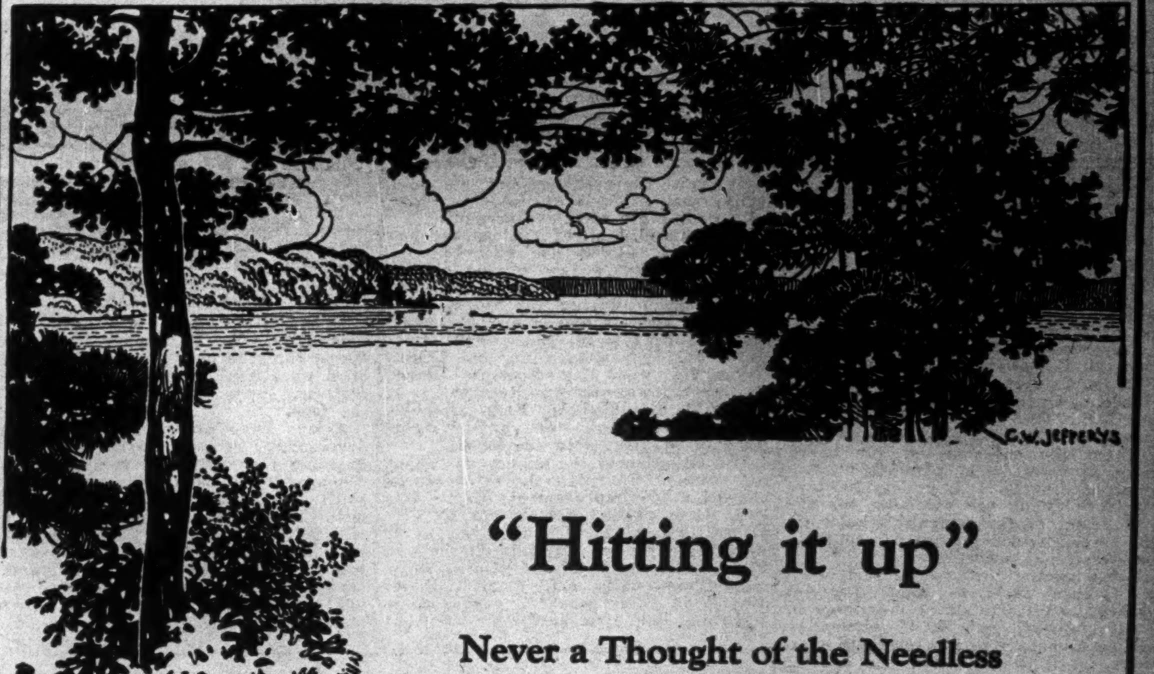

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The law provides a speed limit to save road surfaces, as well as to save motorists from accident. While the highway may be clear and there may be no danger of accident, remember the road is always beneath you and that needless damage done by yourself and hundreds of thousands of other motorists is damage which you and the other motorists will pay for out of of your own pockets.

You have no right to destroy the property of others, and it is not common sense that you should destroy your own. Yet you do this every time you exceed the speed limit.

Take a pride in the highways. They are yours to use, not to abuse. Co-operate with the Counties and the Government in maintaining Ontario's roads among the best on the continent.

The Government requests you to obey the law whether there is a traffic officer in the vicinity or not. Having made this request for co-operation of all motorists, it gives notice that infractions of the law will be vigorously prosecuted.

An advertisement issued by the Ontario Department of Highways to secure the co-operation of motorists and truck drivers, Automobile Clubs, Good Roads Associations and all other public spirited bodies, in abating the abuse of the roads of the Province.

The Hon. Geo. S. Henry, Minister S. L. Squire, Deputy Minister

18

News of the Mines for the Investor

DOME MILLHEADS DOWN BUT TOTAL OF OUTPUT IS UP

Six-Month Figures Show Higher Tonnage and Lowering of Costs

Dome's production for the first half of 1925 is up $10,500 compared with the same period of 1924. The figures are, 1925, $2,132,461; 1924, $2,121,995. There has been a decided increase in the tonnage handled, the monthly average being 43,900 or on a basis of 526,800 a year compared with an actual of 493,400 or an average of 41,116 for 1924 and 320,700 in 1923. That the total production does not show an increase in keeping with the higher tonnage is due to the fact that millheads are lower. They are said to be running a little better than $8 to the ton, whereas in 1924 the average recovery per ton was $8.92. Dome is expected, however, to show up much better when net figures are available, due to the fact that costs have been cut into until they are now estimated to be below $4, whereas in 1924 they ran $4.57, 1923, $4.66 and 1922, $5.25. When it is considered that Dome has had heavy development costs, both in the sediments in Dome Extension and in the igneous rocks surrounding the sedimentary basin, such cost figures as well as the increased tonnage without further capital expenditure, are a tribute to the efficiency of the operation and an effective answer to those who have charged Dome management with being inefficient. These costs are the lowest in the north. Production figures by months:

	1925	1924
January	351,301	326,420
February	345,478	349,299
March	356,084	355,645
April	354,498	358,817
May	361,175	371,055
June	363,925	360,759
	2,132,461	2,121.995

MINING ATTRACTING BIG NEW INTERESTS

Fiske Gold Mines Introduces Many Leaders Into the Industry

The barriers of ignorance and prejudice which have hindered the development of Canada's mineral resources are disappearing. It has been frequently said that mining will not come into its own until its potential value to the country is appreciated. The possibilities of the Quebec gold camp seem to have made an impression. Besides the big mining companies who are going into that field actively, many big investors who have not hitherto been associated with mining have been attracted. Fiske Gold Mines, a new Quebec proposition, may be instanced as a case where big new interests are being drawn into mining. Their board is an outstanding example. Senator Sir George E. Foster heads the company with Archibald F. C. Fiske, third vice-president of Metropolitan Life, New York, as vice-president. Senator Gideon Robertson, H. B. Spencer, Ottawa, a former C.P.R. superintendent; Senator Alfred Thibadeau, Quebec; Senator W. L. Girroir, K.C., Ottawa, and P. O'Reilly, Ottawa, are the directors. Senator Robertson is the only one of the board known to have been associated with mining previously. It is understood that New York funds are available for the development of the company's holdings, 1,388 acres, divided into three groups in Northwestern Quebec.

Rather another interesting fact about the Quebec field is that Timmins Brothers, after examining hundreds of Ontario, Quebec and B. C. properties, have been content to confine their operations to Hollinger until the Quebec field comes along. They are now heavily interested in Noranda and Amulet.

A. D. Miles on Central Manitoba Mines Board

The shaft of Central Manitoba Mining Co. property is now down 195 feet, while diamond drilling and surface exploration is being carried on simultaneously. As a result of the deal whereby Anglo-Canadian Explorers, John Taylor & Sons, Canadian Co., acquires a half interest in the company. A. D. Miles, head of the Anglo-Canadian Co., has been added to the board of Central Manitoba Co. J. H. Stovel, former mine inspector at Sudbury, has been placed in charge of operations at the property.

Deep Mining Will be General in Kirkland

Wright-Hargreaves has now connected its north shaft with the 1,000 ft. levels and it is expected that plans will soon be announced of working going on to a greater depth. Lake Shore has already made such a decision and Kirkland Lake Gold, Teck-Hughes and Tough Oakes are already below that depth. The opinion is quite general among engineers that the deeper they go the richer the ore is going to get in this camp, so that the new operations will be watched with interest. Experience to date in Kirkland has supported this theory. Wright-Hargreaves did not get its rich ore until 1,000 ft., and while real rich ore was located on surface of Tough-Oakes, it was pockety. The real hope for this proposition to develop into a real mine is in going to somewhere between the 1,000 and 1,500 ft. levels. Kirkland Lake Gold got its first real good ore around 1,000 ft., and those in control are now gambling on finding the real mine below 1,600 ft. Teck-Hughes, while it got good values above 1,000 ft., is looking to the deeper levels to provide dividends. In getting good values above the 1,000 ft. level Lake Shore has the best record of all.

SHAFT DOWN 80-FEET

Trout Lake Lorrain, in South Lorrain has its new shaft on the south of claim of the property down 80-feet. It is being sunk on the southerly extension of Wood's Vein where silver values were encountered by diamond drilling.

Smelters Operations Are Assuming Nash Proportions

The sudden rise in Consolidated Smelters shares, five points to 91 overnight, presages some action in regard the talked-of bonus for shareholders. Smelters is said to be averaging $1,000,000 in net profits monthly. These record figures seem destined to be far outdone in the not distant future, if the expected base metal demand from Europe is forthcoming. Lead, 15,000,000; zinc, 5,000,000 and 250,000,000 ounces of silver, besides gold, copper and other metals, are the reported production figures of a recent month.

The tendency in copper prices is upward. Present supply is understood to be somewhat short of demand. This is perhaps the explanation of why an English order for 27 million pounds for future delivery around present prices is going begging at New York. With the feeling abroad that prices will go higher, no one seems anxious to take on such a commitment.

Smelters controls two valuable copper properties on Vancouver Island, Sun Lock Copper Co. on the south end and North Coast Copper on the north end. The latter deposit is understood to be an extremely rich one. The development of these copper resources will undoubtedly be undertaken in the event of higher copper prices. Incidentally rumors associate Smelters with a couple of important new ventures, an examination of Flin Flon copper in Northern Manitoba, in association with a possible extension of the C.P.R. to Fort Churchill on Hudson's Bay and a custom smelter in Rouyn, Que., also associated with the extension of the C.P.R. Kipawa branch.

Smelters' shareholders are to get some kind of consideration this year. they have been told. It will likely be a stock bonus. The par value of the shares is $25, so that the present market price is close to four times par.

Hat Creek Coal Find May Help Make P.G.E. Ry. Pay

From Our Own Correspondent.

VANCOUVER.—Discovery of the Hat Creek coalfield close to Pacific Great Eastern railway has aroused great interest in mining and industrial circles. While the area has been known as a potential source of coal for some years, the quality of its product and quantity have been under-rated. Heretofore it has been regarded as a lignite property. Now it is classified as bituminous. Diamond drilling has proved the existence of coal for a continuous depth of 523 feet. The coal has yet to be tested for steam, gas, railway and other purposes.

It is estimated that the deposit contains more than 900,000,000 tons of coal. The field is readily accessible via Pacific Great Eastern Railway, operated by the provincial government.

AUDIT OF BROKERS' BOOKS PROCEEDING

Must File Certificate with Exchange That Margined Stock is Held

The feature of the mining market during the past week has been the break of a dollar a share in Dome. No explanation or excuse has been forthcoming. The surprising thing to street leaders is that the break has been allowed to take place without the usual outpouring of predictions that Dome was going downhill rapidly. Elsewhere on this page will be found a review of the six months' production of Dome which hardly justifies any decline in price, that is if the stock was not too high at $15.

The launching of the audit of brokers' books has been almost as quietly done. Many of the audits are now going on. They are being conducted by the auditors of the individual houses and the broker must file a certificate of the auditor with the exchange and this must certify that stock is available to make delivery for all marginal accounts.

The general tone of the market has been easier. Stocks are said to continue scarce but so are buying orders. Of the 14 gold stocks that changed their position during the week, eight eased off and six moved up. Argonaut, three; Hollinger, 10; Lake Shore, two; McIntyre, 15; Newray, four; and Tough-Oakes, 2½, were the advances. Barry Hollinger, two; Crown Reserve, two; Dome, $1; Goldale, 1¾; Kirkland Lake, one; Teck-Hughes, one; and Wright-Hargreaves, five, were the losses.

The situation in the silvers was about the same. Canadian Lorrain at 28 showed a 1½ improvement; Castle was two better at 86; Keeley, one at 177; Keora, two at 12; McKinley, one at 38 were the advances. Capital lost three to 27; Everett, La Rose and Mining Corp. were fractionally off. Capitol Silver was down three more to seven, while Nipissing held firm at $4.65.

PORTLAND CANAL IS VERY ACTIVE CAMP

Major Interest at Present in Sale of Dunwell Mines

From Our Own Correspondent.

VANCOUVER.—Portland Canal mining camp is eagerly awaiting news of the sale of the Dunwell mine. Negotiations have been in progress in this connection for several months and when it is finally concluded the field will be tremendously stimulated. In the meantime several properties have been carrying on important development work. Reports from some of the camps in various sections of British Columbia follow:

Daly Alaska. — Additional equipment has been ordered. William Sloan is now in England making new financing arrangements.

L. & L. Glacier.—The company has acquired adjoining properties known as Silver King group. Shipments will be made this month.

Premier.—Present price is yielding over 14 per cent. and the quarterly dividend of eight cents was paid July 1.

New Hazelton Gold Cobalt.—Further developing ore bodies from which several test shipments were made some months ago.

Silver Crest.—No. 2 tunnel has encountered a change in formation and ore is expected to be reached any day.

Bayview.—Supplies and equipment have been sent in preparatory to the season's work. It is expected that shipments of high-grade ore will be made this summer and that ore will be proved at a depth.

Lucky Jim.—Rosebery mill has been put on a double shift basis with a daily output of sixty to eighty tons daily. Development on No. 3 is regarded as satisfactory.

Dunwell.—Reports a high-grade ore body, 1,500 feet north of the old tunnels. Exploration work will be continued during the summer.

Porter Idaho.—Forty-five tons of ore ready for shipment to tidewater.

Indian.—Stock continues low, although reports from the mine are optimistic. Nothing heard yet regarding result of trial shipment test.

KIRKLAND RAND

At the recent annual meeting of Kirkland Rand, W. F. Empey, president, stated that the new veins on the 550-ft. level were now opened up for over 200 feet, and were still holding strong in the face.

Assays have proven satisfactory and development of vein No. 2 west is progressing favorably, the vein leading in the proper direction to connect up with shaft No. 2, which goes direct to the mill. When this is completed the ore will be hoisted direct from the 550-ft. level into the mill through the three-way shaft. The president further stated the company still had over 750,000 shares of unsold stock in the treasury.

MINING STOCK QUOTATIONS

WEEK ENDING JULY 7

	Par Value	Div. Rate	Yield	High for wk.	Low for wk.	Close July 7	Close June 29	Sales for wk.	Range 1925 High	Range 1925 Low
Apex	1	..	..	..	..	..	..	....	4	2½
Algonquin	1	..	..	2¾	1⅛	2⅛	2¼	109000	3	1
Argonaut	1	..	..	27	24	27	24½	50600	48	22½
Atlas	1	..	..	3⅛	3⅛	3⅛	3¼	6500	5	3
Baldwin	1	..	..	2¾	2¼	2⅝	2⅜	65900	7	2
Barry-Hollinger	1	..	..	45	42	43	45½	8200	50	40
Beaver	1	..	..	30	29	29	29	13200	37	25½
Bidgood	1	..	..	6½	6½	6½	6¾	500	16¼	5½
Boston Creek	1	..	..	..	..	..	..	....	7	4½
Buckingham	1	..	..	2¾	2½	2¾	2½	25000	5⅝	2½
Canadian Lorrain.	1	..	..	28	27	28	26½	2000	50	23
Capitol	1	..	..	..	26	27	30	3500	37½	26½
Castle Tre.	1	..	..	86	84	86	85	11025	85	71
Clifton	1	..	..	7	6⅞	7	7	11800	25¼	6
Coniagas	5	5	13.2	..	..	..	..	....	2.30	1.45
Coniar'm	.	..	..	..	..	..	..	....	2.45	1.00
Col. Kirkland	1	..	..	..	..	..	..	....	10½	2⅛
Cons. Smelters	25	6	1.7	87	81¼	87	82	4468	87	48
Cons. W. Dome	1	..	..	13½	12¼	13	13	58600	22	11
Crown Reserve	1	..	..	29	27	27	29	16200	54½	21½
Davidson C.	1	..	..	3½	3½	3½	4	1000	5	2
Dome Mines	1	..	..	14.20	14.00	14.00	15.00	885	16.50	12.90
Everett	1	..	..	4¾	4½	4½	5	2600	10	4½
Goldale	1	..	..	17½	16⅛	16¼	17½	16700	22½	14¾
Gold Reef	1	..	..	1½	1½	1½	1½	1000	2	1
Hattie	1	..	..	1½	1⅜	1¼	1⅝	15500	2¾	½
Hattie pref.	1	..	..	10¼	8⅞	8⅞	7	106500	67	4⅜
Hollinger	5	20.80	7.00	14.85	14.70	14.80	14.70	2135	15.65	13.35
Hunton	1	..	..	4⅝	4½	4½	5	4000	8½	4¾
Indian	1	..	..	..	..	..	..	....	17	5
Inspiration	1	..	..	9	9	9	9	1000	10	7
Int. Nickel, com.	25	..	..	30⅜	30⅜	30⅜	30	50	31	24¾
Keeley	1	24	13.3	1.83	1.77	1.77	1.76	9818	2.32	1.75
Keora	1	..	..	12	11	12	10¼	14800	19½	9
Kirk. Lake	1	..	..	38½	38½	38½	39½	2400	50	35
Lakeside	1	..	..	4¾	4½	4½	4½	1500	15¾	5
Lake Shore	1	20+5	4.2	5.89	5.82	5.82	5.80	1540	6.10	4.51
La Rose	1	..	..	50	47½	46½	47½	8410	55	7½
Lorrain	1	..	..	16½	15	15	15	35500	24	12¾
Lorrain T. L.	1	20	20.0	1.00	.95	.95	1.00	2000	1.34	.90
McKinley	1	..	..	29½	27½	28¾	27¼	29400	44½	15¾
McIntyre	5	20	5.0	17.75	17.45	17.75	17.60	1935	18.25	16.00
Mining Corp.	5	10	18.2	2.74	2.70	2.70	2.71	3125	3.16	2.35
Moneta	1	..	..	13	13	13	14	1000	18¼	13
Newray	1	..	..	25	23	23½	19½	28000	28½	17
Nipissing	5	12+6	18.9	4.80	4.60	4.65	4.65	455	6.80	4.65
Night Hawk	1	..	..	..	..	..	..	....	49½	23
Ophir	1	..	..	3¼	3½	3¼	4	2000	7⅛	3
Peterson Lake	1	..	..	6⅞	6¼	6⅞	6¼	1500	12	6⅝
Porc. Crown	1	..	..	..	..	..	..	....	8	3½
Premier Gold	1	32	14.4	2.21	2.20	2.20	2.20	200	2.58	2.15
Preston	1	..	..	10⅜	9⅞	9⅜	10¼	5600	12	6¼
Teck Hughes	1	..	..	1.40	1.38	1.39	1.40	9865	1.49	1.23
Thomp.-Krist	1	..	..	..	..	..	..	....	3	1
Timiskaming	1	..	..	..	..	..	..	....	30	15
Tough Oakes	5	..	..	34	30½	34	31½	6425	45	20
Trethewey	1	..	..	..	..	..	..	....	22	16¼
Victory Silver	1	..	..	10½	6¼	7	10	16500	31	6¼
Vipond Cons.	1	..	..	1.06	1.04	1.04	1.04	16466	1.42	1.01
Wakenda	1	..	..	1½	1½	1½	2	500	3½	1½
Wasapika	1	..	..	1½	1¼	1½	1¼	4000	3⅜	1
West Tree	1	..	..	2¼	2	2¼	2¼	2300	5	2
Wettlaufer	1	..	..	5¾	5	7	6	9000	16	3¾
Wright-Har.	1	20	4.3	4.55	4.50	4.55	4.50	600	4.95	4.15
Oil Companies										
B.A. Oil	25	2+2	6.6	39½	39	39¼	39	485	41¼	36½
Imperial Oil	25	25c	7.5	33½	32½	33	33	577	34⅜	27½
Inter. Pet.	5	25c	1.00	30½	25½	25⅜	26⅜	200	30½	22
Cont. Oil	.	25c	1.00	25	25	25	26¼	2	29	22½
North Star, pref.	5	7	8.7	..	..	..	..	....	4.25	3.90

C. N. R. HAS CHANGED MIND AS TO ROUYN

Quebec Premier Announces That Federal Road Will Go Ahead

The C.N.R. line will be constructed into Northwestern Quebec gold fields. The surveyed line from O'Brien on the Transcontinental south will likely be the route.

Premier L. A. Taschereau, Quebec, made the announcement following conferences at the Quebec capital yesterday.

The announcement is a rather surprising one. A similar decision was made some time ago and surveys run. Then came a hitch over the subsidy which the road was to get from Quebec.

The line will hardly be ready for operation until some time in 1926.

It is understood that Quebec funds will be used to construct the line, so that the sanction of parliament or the senate will not have to be secured.

No official announcement has been forthcoming from the railway as yet.

Outlook for Tough-Oakes Has Changed Considerably

The past month or so has seen a complete change in the outlook of Tough-Oakes-Burnside and to-day the operation seems well on its way to success. Since the mill has been started the operation has been losing money until lately. Success in development has increased the millheads to the point where to-day a profit is being made and from now on monthly production figures should be much better. July should show $30,000. June was $24,000 and May $21,000. The new vein opened in the Burnside section now shows a length of 100 feet and has been cut 100 feet below where the vein was first cut. The ore is good grade and the width excellent. On the Tough-Oakes, the new vein is showing well with very rich high grade in spots.

Africa Platinum Shares Have Tremendous Boom

The boom in South African platinum shares has carried prices to a level where within six months after the first discovery, they represent one-seventh the value of the Rand gold mine shares. The appreciation is about £8,000,000 ($40,000,000). Investors are being warned to be prudent.

Sir R. S. Holland, chairman of the Central Mining & Investment Corp., a company participating in the development of the field, said, "It is yet too early to give any estimates of the potentialties of either district."

Values of the shares of the chief companies before and after the discoveries follow:

	Before	After	Increase
Transvaal Cons. Land .. .. £	850,000	£3,500,000	£2,650,000
S. African townships .	1,000,000	2,500,000	1,500,000
Trans. Est. and Devel	390,000	1,300,000	910,000
Henderson's Transvaal ..	280,000	1,200,000	920,000
Oceana Consolidated . .	250,000	600,000	350,000
New platinum companies .	......	2,000,000	2,000,000

The world market in platinum is full of pitfalls. Average price of platinum per troy ounce is around £22 10s compared with £6 before the war. The advance reflects decrease in world production from 310,000 ounces in 1909 to 73,500 in 1920.

World production is now again on the upgrade. Russia and Colombia together are expected to produce 90,000 ounces this year. About 500,000 ounces were used as a counteracting agent in the manufacture of munitions during the war.

CHANGE IN BALDWIN

A new board of directors has been named for Baldwin Gold Mines and new financing arranged. Plans for development of the property are now under consideration.

SILVER AND OTHER METALS

July—	7	8	9
Silver—			
London (D.)	31¾	31⅞	32⅛
New York	68⅞	69¼	69⅝
Copper	13⅞	13⅞	14
Lead	8.00	8.00	8.00
Zinc	7.10	7.10	7.15

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GENERALLY GOOD, IS LAST WORD ON WESTERN CROPS

(Continued from page 1)

of black stem rust during the 21 days, correspondents were asked particularly as to the existence of any rust on the stems of the wheat and it will be noted that only six points admit any rust present. This is encouraging but must not be taken as meaning that there will be no rust. It is unusual for rust to develop at such an early stage of the wheat and the weather of the past week in Manitoba has been such as to cause apprehension as to rust development, but it is evident that so far in the crop's history no such development has taken place. A reading of the weather records shows that on the whole nights have been cool, which is distinctly in favor of checking rust and the high winds that have eaten up the moisture too rapidly in some places may have been a blessing in disguise.

The damage by cutworms which promised to be very serious is now generally admitted to be checked and the total damage of wheat would seem to be in the neighborhood of five per cent. judging from the reports. Wire worms were inquired for and 25 points in Alberta and 28 in Saskatchewan admit there their presence, but only a few points declare damage from this source to be serious.

In Manitoba 22 points have had not much rain and have had lessening of acreages from this source; in some cases the statement is made that the land never dried sufficiently to be seeded.

General Prospects Good

It is evident that with these sources of damage allowed for there cannot be any increase in wheat acreage, but given reasonably favorable weather conditions from now until harvest the West has the prospect of an excellent crop. Out of 320 points heard from, 270 declare conditions generally good, or excellent.

About 75 per cent. of the wheat is in the shot blade and from 10 to 15 per cent. in head and many points state that wheat will be fully headed by July 12.

By provinces, the response to queries was 84 from Manitoba, 154 from Saskatchewan and 83 from Alberta.

A somewhat curious condition is that more wheat is reported out in head in the north than in the south and centre of the province.

On the morning the report was issued, namely July 4th, the paper carried the following on its general editorial page:

The Free Press crop report issued this morning will bear careful study. It is not a foolishly optimistic statement, it shows that there have been a number of sources of damage to the growing wheat in the past 21 days, but it also shows that through very varying weather conditions the crop, to a great extent, maintained the very high standard shown by the report of June thirteenth. In other words the crop has passed through 21 days of the most trying period of its development without any serious setback. The rust scares that have been set abroad by visitors from the south are apparently without foundation to date, whatever the future may bring forth there is a long road for the crop to travel from now until harvest but when 270 correspondents out of 320 heard from are able to say: "Crop conditions generally good," of a wheat field that is nearly 1,000 miles long and 500 wide there is reason to "thank God and take courage."

Damage to Western Crops Only in Isolated Sections

Telegraphic communications from the Department of Agriculture of the province of Saskatchewan to The Financial Post indicate that crop conditions are very satisfactory all over the province. The wheat is possibly a week earlier than the average, most of it is coming into the shot blade and some is already heading out. While there is in most places sufficient moisture for immediate needs, hot weather and winds have tended to dry out the land, and more rain will be welcome in July. During the past week word has reached the department that disease is present in the wheat in some districts. The outbreak, however, seems to be pretty well confined to some of the older settled districts along the main line of the C.P.R. cutworms are rapidly disappearing and have practically ceased to do injury to the crops although they are still active in some gardens. A few scattered hailstorms have occurred but the damage from this source is very slight. Some low spots have been drowned out by excess moisture in June, but such spots are widely separated and crops in general have not suffered. Farmers have been busy with the summerfallow and have made good progress over 65 per cent. now being completed.

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Current Events in Banking World

TO OVERCOME CARELESSNESS WITH CHEQUES

Montreal Power Company Has Idea Which Helps Bank

That industrial concerns with big payrolls can be encouraged to effectively co-operate with the banks in curbing carelessness in regard to pay cheques, on which the banks are frequently asked to stop payment because of loss or other accident, is indicated by the following statement issued by the chief accountant of the Montreal Light, Heat and Power Co. and published in the employees' paper by the company:

"Last pay day no less than eight employees either lost or had their pay cheques stolen.

"A considerable amount of worry to our Payroll staff and the Royal Bank employees would be avoided by care on the part of our employees.

"As soon as a cheque is reported lost, we must notify the Bank, who in turn must notify their branches and keep following the matter up as long as the lost cheque is not recovered in case it should be presented for payment at any future date. That is imposing a rather difficult task on the Royal Bank and all its branches."

Following are some words of kindly advice to the employees in which they are admonished to take care of their pay cheques in the following forceful language:

Those, who are so flush with money that they do not need to care what happens to their pay cheques by neglecting to take ordinary safeguards for their protection from loss or theft, are requested to show at least consideration for their fellow workers and the bank staff.

Should a lost or stolen cheque be cashed by someone in the best of faith, which happens, the person cashing it is the actual loser.

Although the company is in no wise legally or morally responsible for such a loss, the fact that the cheque was issued by our company is causing the losers' grudge against us, which we are most anxious to avoid.

We are tempted to make good the promise made in the Bulletin during the last spell of carelessness, many months ago: to have "Millionaires Column," in which the names of pay cheque losers will be printed in black face 12-point type.

Be careful of your pay cheques!

Look out for pick-pockets at transfer points!

In this there is a suggestion which bank managers in industrial centres may be able to use in getting employers to co-operate with them in dealing with carelessness in the handling of pay cheques. It's worth considering.— J. W. T.

Should Be Funds When the Cheque is Issued

Giving a cheque for a certain amount in payment for merchandise when there are insufficient funds in the bank to meet the cheque constitutes obtaining goods by false pretences, even though the buyer had the intention to make bank deposits before the vendor could present the document to be honored. Such was the decision handed down recently in the court of special sessions at Montreal.

The decision came in the case of a local merchant who had obtained goods by this method from a wholesale house. The merchant claims that he had the money at the time of issuing the cheque, but was held up and robbed of $1,200 on the day following the issuing of the cheque and was thus prevented from carrying out his original intention.

"The person who gives a cheque payable at date, without restriction, is held by law to honor that cheque following its form and tenor," said the magistrate. "The simple remittance of a worthless cheque to a creditor on the delivery of goods, without restrictions, constitutes on the part of the signatory to the cheque a formal promise to pay without conditions and without delay. If on that formal promise of the accused the creditors have advanced merchandise and if the accused does not honor it, following the form and tenor of his written cheque, then he commits in law the act contained in the accusation and known under the name of false pretences."

More Branches Opened Than Closed in June

Ten new branches were opened by Canadian chartered banks during the month of June, and six branches closed, a gain of two branches during the month. Following is a list of the branches opened and closed:

Opened

Canadienne Nationale.—Ste. Rose de Lima, Champlain, Que.

Commerce. — Rosenfeld sub-agency, Man.; Wembley, Alta.

Montreal.—Cornwall East, sub-agency to Cornwall, Ont.; Lake Louise, Alta.

Provincial.—Champlain, sub-agency to Three Rivers, (Laviolette and St. Maurice Sts.), Que.; Ste. Clotilde de Horton, Que., sub-agency to Victoriaville, Que.; Jonquiere, Que.; Delorimer Ave., Montreal, Que.

Nova Scotia. — Windsor, Ont.; Ceinfuegos, Cuba.

Closed

Canadienne Nationale.—Guigues; Senneterre, Que.

Commerce. — Beaver Lodge, Grand Prairie, Lake Saskatoon, Vulcan Bank of Hamilton Branch, Alta.

Montreal.—Lamont, Alta.

Provincial.—Champlain, Que.

Chief Thinks Bank Staffs Should be Better Armed

In a statement following word of the daring robbery of the Bank of Montreal branch at Thorndale, Chief Armstrong of the St. Thomas police force, declared that bank managers are not taking sufficient precautions against bandits. He urged them to equip the offices with shotguns and rifles, and select members of their staffs, whose courage has been tested, for instruction in the prompt use of firearms. The chief suggests that employees well trained in the use of guns should have their desks located at the rear of bank offices, where they would have a certain advantage over robbers entering an office.

Customers of U.S. Banks Cannot Offset Deposits Against Loans

By A. B. BARKER,

Manager, Toronto Clearing House, and Curator of the Home Bank.

In the case of depositors in the ill-fated Home Bank, which is now on the dissecting table, certain depositors were also borrowers, and in every case, unless the rights of third parties intervened, the amount of the deposit was taken as a set-off on the note and the difference between the two was the net obligation of either the bank or the customer.

This right of set off exists whether the deposit is in the savings department of the bank or in the current ledger.

In the United States the right of set off is apparently not recognized in the same way. It is only recently that savings departments have been instituted in commercial banks in that country, and in some states a distinction is made as to the bank's liability, between the deposits in the savings and commercial departments of the same bank.

In a recent case in Massachusetts, a depositor had on deposit in a commercial department $2,300, subject to his cheque, and had also obtained a loan from the savings department, although he was apparently unaware that the loan had been made by a special department of the company. This loan was current when the company failed. He applied to the court for an order cancelling his debt of $900 by setting off against it $900 of the amount owed him on his deposit account, and to have the collateral held against the loan returned to him.

The supreme court of Massachusetts ruled that the deposit could not be switched in this way and that the borrower must pay the note, and then rank on the estate with the other commercial depositors.

PROPOSES BRANCH BANKING FOR U. S.

Vice Governor Platt of Federal Reserve Says That the System Would Prevent Failures

WASHINGTON.—In an address prepared for delivery before the National Association of Credit Men, Vice-governor Platt of the Federal Reserve Board argued that greater use of branch banking would restrict banking failures which, he declared, had been more frequent among the small institutions. Legal curbs around operation of branches, he said, had proved "unfortunate" in countless instances, especially in rural communities.

"The great number of small bank failures," the speaker declared, "accounts for the failure of business to respond as it should have responded to the favorable influences that have been evident for the past ten months. These small bank failures are still occurring at the rate of six or eight a week, and there have been 274 of them since the first of January down to and including May 15.

"We must have larger banks, banks large enough to afford good management and large enough to spread their risks over a variety of industries and over a considerable territory. Unless we are to subject many people living in small communities or in rather thinly settled agricultural territory to great inconvenience, this means at least some branch banking.

"The attempt to provide banking facilities to small communities, and particularly to communities where the dominant industry is agriculture, by means of small independent banks, has proved a failure, as at every previous period of agricultural depression.

"The effort to safeguard the deposits of the people in these small banks by means of guaranty of deposits undertaken by several states after the panic of 1907, has also proved a failure. The only remedy left is branch banking—not necessarily on any very large scale as in Canada, but on a scale large enough to serve people adequately and safely."

Staff Gossip

W. W. Staveley, of the Bank of Montreal, has been moved to the Lower Town Branch in Quebec, and with Mrs. Staveley has taken up residence on Fraser Street.—Montreal Herald.

* * *

Roy Ormrod, who has been on the staff of the Molsons Bank, for the past couple of years and later with the local staff of the Bank of Montreal, has been transferred to the Kingston branch and left for that city to-day. His many friends are pleased to hear of his promotion, but sorry to learn of his departure from town.—Smiths Falls Record-News.

* * *

On July 11 the local branches of the Bank of Commerce and the Bank of Hamilton, which was taken over by the Commerce over a year ago, will be merged. The Commerce will move up to the Hamilton building and will occupy these premises. The present Commerce building at the corner of Broadway and Mill Streets has been purchased by the Royal Bank. The price paid is not made public.—Orangeville Sun.

* * *

At the regular meeting of the Gyro Club the speaker was Alex. C. Smith, who gave a very interesting talk on the history of the Canadian banking industry. Mr. Smith followed the growth of banking organizations from their inception at the end of the 16th century to the present. He pointed out the almost unbelievable increase in wealth that the country has attained during this period, showing that when the banks first became national organizations they commenced with a capital of a few thousand pounds, growing during the intervening period until at the present time they had assets of several billion dollars. The speaker stated that Canada's present banking system was a very good barometer of the times and that judging from the huge wealth held for investment by these institutions at the present time the future of Canada was very bright indeed.—Ottawa Journal.

MEXICAN BANK OF ISSUE

MEXICO CITY.—The commission appointed by the ministry of finance to study plans for organization of a bank of issue has concluded its work. The government is planning to inaugurate the bank on September 15 under the name "Banco de Mexico."

The institution will have $50,000,000 capital, 51 per cent. of which will be controlled by the government, the remaining 49 per cent. to be subscribed by native and foreign bankers.

MAKING CHEQUES SAFE?

A woman went to the bank and asked for a new check book. "I've lost the one you gave me yesterday," she said. "But it doesn't matter. I took the precaution of signing all the checks as soon as I got it—so, of course, it won't be any use to any one else."—The Efficiency Magazine.

HOW BIG N. Y. BANKS ARE CONSOLIDATING

Seventy-six Banks Have Been Absorbed in Twenty Years

One of the most significant and noteworthy features of recent banking history in this country is the way in which mergers, absorptions or consolidations have been going on among the banks in the financial centre of the country, says The Literary Digest. Within the last twenty years 76 banks have gone into consolidations to form twenty greater financial institutions in New York. The combined capital of these banks, writes Dirk P. de Young in The Burroughs Clearing House (Detroit), amounts to $266,600,000, and their aggregate deposits come to $5,421,835,500. Last year the average dividend paid per share by these banks was $17.50. Taken altogether these twenty enlarged banks do business through 118 branches. The writer presents a table, reprinted herewith, which gives us a number of interesting facts regarding these banks. It is noted that the figures showing amount of capital may be an error in certain cases owing to shifts of capital at time of mergers and to changes since. In all cases the par value of the stock is $100, except for the Bank of Manhattan Co., which is $50. In the case of the Chase National and National City Banks assets and earnings of the bank-owned security companies are not included, but dividends paid by those subsidiary corporations are included.

Three fundamental reasons, as Mr. de Young sees it, have brought about most of these New York consolidations.

First, a desire on the part of National banks to acquire branches and trust departments, second, the hope of doing a larger business with a proportionately lower overhead; and third, an ambition to render customers better service by means of larger capital resources and the distribution of important bank services through various branch systems.

The Boston and Maine Railroad has announced that it will inaugurate a system of "store-door delivery" at Boston, Lowell and Lawrence, whereby merchandise will be picked up at the door of the shipper and deposited at the door of the consignee as a complete transportation process, utilizing railroad and motor truck.

Weekly Bank Clearings

(In comparison with the same week last year.)

EASTERN CITIES

	Week ending July 3, 1924	Week ending July 2, 1925
Halifax	$ 2,601.119	$ 2,586,055
St. John	1,983,211	2,043,942
Moncton	776,195	695,081
Quebec	8,472,352	5,745,664
Sherbrooke	948,801	699,862
Montreal	107,757,959	92,928,607
Ottawa	5,990,283	4,997,763
Kingston	899,237	688,655
Peterboro	823,227	658,815
Toronto	111,847,351	77,500,456
Hamilton	4,964,078	4,323.392
Brantford	971,640	973,338
London	2,784,688	2,597,907
Kitchener	723,926	1,006,931
Windsor	3,014,523	3,152,483
	$254.557,990	$200,597,951

WESTERN CITIES

	Week ending July 3, 1924	Week ending July 2, 1925
Fort William	$ 639,802	$ 691,914
Winnipeg	51,104,020	39,226,239
Brandon	559,615	569,914
Regina	3,054,137	3,009,868
Moose baw	1,088,334	1,014,763
Saskatoon	1,426,430	1,263,924
Prince Albert	350,637	263,068
Lethbridge	444,465	595,567
Calgary	5,898,809	5,544,118
Edmonton	4,309,267	3,791,201
Medicine Hat	365,469	225,469
New Westminster	732,280	603,825
Vancouver	15.338,438	13,795,747
Victoria	1,917,394	1,907,401
	$25,738,097	$72,503,013

Monthly Bank Clearings

(In comparison with same month last year)

EASTERN CITIES

	1,257,291,652 Month of June, 1924	1,236,289,036 Month of June, 1925
Halifax	$11,456,559	$11,750,839
St. John	10,774,393	11,590,253
Moncton	3,192,087	3,411,441
Quebec	22,579,349	24,064,424
Sherbrooke	4,341,845	3,408,732
Montreal	395,298,102	379,018,987
Ottawa	28,445,553	28,519,167
Kingston	2,960,064	3,148,757
Peterboro'	3,208,453	3,423,634
Toronto	371,087,843	382,860,525
Hamilton	20,788,788	21,256,529
Brantford	3,748,804	4,369,415
London	12,927,355	12,754,998
Kitchener	3,972,664	4,494,749
Windsor	13,730,587	15,619,878
	908,507,446	909,692,298

WESTERN CITIES

	Month of June, 1924	Month of June, 1925
Fort William	$3,363.145	$3,590,225
Winnipeg	202,333,440	172,404,747
Brandon	2,015,437	2,472,928
Regina	12,400,916	13,770,078
Moose Jaw	4,272,034	4,524,532
Saskatoon	6,297,569	6,336,446
Lethbridge	1,913,218	2,420,948
Calgary	26,433,928	25,428,832
Edmonton	16,951,560	18,722,450
Medicine Hat	1,362,477	1,154,998
N. Westminster	2,630,431	2,833,199
Vancouver	60,712,329	64,195,550
Victoria	8,097,722	8,742,805
	348,784,206	326,597,738
	1,257,291,652	1,236,289,036

BANK ACT LIKELY TO FACE AMENDMENT

Home Bank Decision Leaves Grave Doubt as to Directors' Duties

As a result of the complete failure of Ontario's prosecution of Home Bank directors, the government is almost certain to be asked to amend the Bank Act at the next session to more clearly fix the responsibility of directors.

Attorney-General Nickle, Ontario, has decided to drop the pending conspiracy charges, because of the failure of the negligence charges which were quashed by the higher court on review of the convictions and sentences imposed on the different directors by Judge Coatsworth. Likewise the charges against M. J. Haney, former president, will be dropped.

Mr. Nickle says that in view of the decision of the courts, the time has come for parliament to make clear what the duties of a director really are. From his own parliamentary knowledge of the consideration given Bank Act amendments, Mr. Nickle says he is sure there was no thought that the act would be given the construction it has by the courts.

It is submitted on sound grounds that any weaknesses in the bank act which have been revealed as the result of the Home Bank collapse and the succeeding investigations have been already remedied by amendments now in effect, but of course it is difficult for the public to appreciate this and parliament may be expected to heed public opinion.

SAYS FEDER'L RESERVE NOW INDISPENSABLE

Says Broader Problems Are Beyond Power of Individual Banks to Meet Them

By J. S. ALEXANDER,

Chairman, National Bank of Commerce of New York.

For many years before the war we operated under an inadequate banking system. The necessity for a stronger system was clearly recognized by business and financial leaders in this country and for a period of twenty years there was practically no time when the need of a new banking system was not under discussion.

When the bill creating the Federal Reserve system was finally enacted, we had reason to believe that a great forward step had been taken. The bill was the product of not only a widespread and thorough investigation of the best banking principles and practices resulting from the long experience of other countries, but also of a most thorough endeavor to adapt the system to the needs of every section of this country.

Notwithstanding the well founded hopes of its founders, it is safe to say that no one had at the time of its adoption anything like the full picture of the remarkable services which that system was to render the country in the first decade of its existence.

Soon after the Federal Reserve system came into being, American banking was called upon to carry most extraordinary burdens. Only when we view in retrospect the service rendered to industry during the period of the European war and the remarkable aid which it gave during the crisis of 1920 and 1921 can we get anything like a proper appreciation of what this institution has meant to American business.

The need for the added strength which this system has given us, however, has not been diminished by the passing of the war and postwar periods. Even had it been possible for America to return to the prewar condition, a banking system far more efficient than the old one would have been required by the increased magnitude of our industrial activities. With respect to both our domestic operations which have increased in complexity, and our foreign operations, we are in a new business era.

American banking organization in a large sense has become an international institution. We must not forget that the problem of maintaining the strength and efficiency of our larger banking organization both with respect to the international and the larger domestic requirements is by no means limited to that of having well organized individual banks. The broader banking problems of to-day are of such nature that it is beyond the power of a group of individual banks to meet them. A strong reserve system that can co-ordinate and unify our financial resources is absolutely indispensable.

Vacationists Should Use the Safe-Deposit Vaults

People who are leaving their homes for summer holidays are being advised by Chief Robert Birrell, of the London department of public safety, to protect themselves against loss or theft, by placing in a safety deposit vault or other secure keeping all jewellery or other similar articles of value.

The chief points out that some people notify the police that they are going away and then think that their homes are safe from burglary while, of course, it is impossible to put a policeman in charge of every closed-up house, and that would be necessary to insure protection.

Exchange

The mid-summer lull is affecting the exchange markets, and there has been a relatively small volume of business transacted. French francs have gained some of the points lost last week, while Belgian and Italian currencies have strengthened slightly. Sterling continues strong slightly below par, and the Canadian dollar is firm at a fractional advance over American funds.

NEW YORK FUNDS

			Last Year	
	High	Low	High	Low
July 2	x1-64	x1-32	1⅛	11-32
July 3	x1-32	x1-32	1 1-16	1
July 6	x1-32	x1-32	29-32	⅞
July 7	x1-32	x1-32	⅞	13-16
July 8	x1-32	x1-32	¾	11-16

xDiscount.

STERLING, FRANCS AND LIRE

	Sterling Demand	Francs Demand	Lire Demand
July 2	4.85¾	4.64¼	3.49¾
July 3	4.85¾	4.68½	3.58
July 6	4.85¾	4.71¾	3.72¾
July 7	4.85¾	4.66	3.68¼
July 8	4.85¾	4.69½	3.69

FOOLISH TALK OF COMING CHANGES IN TARIFF POLICY

Newspaper Discussion Regarded as Solid Fact in States

Under the heading "Canada's Astonishing Tariff Project" the following article appears in a recent issue of a United States hardware paper:

The new tariff plan now under consideration in Canada has already received the endorsement of leading Dominion newspapers, especially the independent dailies, it is asserted that under this plan "80 per cent. of goods similar to those manufactured in Canada will be positively prohibited from entering from other countries, while at the same time there can be absolutely no advance in the selling price of the Canadian products."

The new project calls for the appointment of a tariff commissioner, "a man of mark beyond all outside influence, with whom would be associated in an advisory capacity one representative of the consumers and one of the manufacturers, with the minister of customs as final arbitrator." It is proposed to clothe the tariff commissioner with the extraordinary power to change the tariff without notice and in addition to giving him control over selling prices, with the right to examine the books of all manufacturers whose products receive the protection of the tariff law.

Dominion Considers Flexible Tariff

An extraordinary flexible provision is under consideration in this connection. It is provided that the tariff commissioner may allow manufacturers to raise their Canadian selling prices to meet advances in wages and cost of raw materials and require price reduction as wages and raw materials decline.

These flexible provisions have aroused great interest throughout the Dominion and have already developed considerable opposition. Protests are already being directed against the provision that where a manufacturer sells his product above the price fixed by the tariff commissioner all customs duties on that line of manufactures shall at once be eliminated.

This provision would penalize an entire group of manufacturers for the fault of one of them. It also implies the creation of combines exercising rigid control over their members.

Just exactly how the Canadian government can provide for the imposition of prohibitory duties on 80 per cent. of current imports, including practically everything coming from the United States, without at the same time raising the price of similar Canadian products to the consumers, is difficult to understand. Such a project would involve the exercise of arbitrary authority by the proposed tariff commissioner and would give a tremendous stimulus to all forms of smuggling.

Combines Price Protection Plan With Tariff

Coupled with the new Canadian tariff project is a price protection plan that goes far beyond anything heretofore suggested in either Canada or Great Britain, and miles beyond the scope of any legislation suggested for the United States. This plan provides that manufacturers shall stamp their products with the retail prices and that retailers failing to abide by these fixed prices shall be liable to severe fines for the first offense and to imprisonment for second and subsequent offenses.

The information given in the foregoing is far removed from any basis of fact and no doubt was a misinterpretation of a newspaper report by the paper's correspondent. It is only through the danger of United States firms, who do a large business in Canada, becoming misinformed as to the facts, that Hardware and Metal explains that the situation outlined in the foregoing article merely represents a "wish" which is "father to the thought" entertained by certain interests in this country. Such a plan has been pushed forward with much vigor by at least one individual, but has had absolutely no official support and apparently very little unofficial support.

In order to make sure that nothing of the sort is being officially contemplated Hardware and Metal took the matter up with the federal department of finance and is assured that this understanding is correct. During the past winter H. K. Patterson, of Miller & Richards, Winnipeg, explained a scheme to solve taxation and tariff problems. Some reports appeared in the daily press concerning his plan and it was said to have the endorsation of an official of a chain store organization in Toronto. It is stated that Mr Patterson discussed the plan with many members of the government but no official action has been taken. No support from "leading Canadian daily papers" is known of except that Mr. Patterson's letter on the subject was reproduced without comment. It appears that the foregoing article was based on Mr. Patterson's recommendations.

Prairie Crop Prospects Still Very Favorable

Information received by the Canada Permanent Mortgage Corporation from its various branches with regard to the crop conditions throughout the West indicate that crops continue to be generally favorable. A considerable proportion of the wheat has headed. The damage by cut-worms has been checked and is estimated not to exceed five per cent. Some slight hail losses are reported. The unusually abundant supply of moisture in some districts has produced a prolific crop of weeds, and some crops on low-lying heavy lands have suffered. Rain has come in the past couple of days to some sections in which it was needed.

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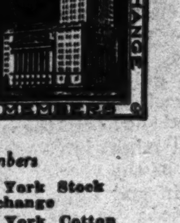
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TORONTO, JULY 10, 1925

BRANCH BANKING THE ANSWER

IN VIEW of the number of people in Canada who have expressed the belief that the banking system of the United States is superior to that of this country, it is with some satisfaction that we note a growing conviction in the United States that the Canadian system is superior. And while the Canadian advocates of the American system are usually cranks and theorists who know little or nothing of banking, the American advocates of the Canadian system include a number of acknowledged authorities on the question. These include Vice-governor Platt, of the Federal Reserve Board, who advocates branch banking, along the lines of the Canadian system, to serve the public adequately and safely.

The failure of small unit banks to provide a stable financial machine is indicated by the hundreds of failures which have occurred and are still occurring. Even this year there were 274 failures from the first of January to the middle of May. Take Nebraska for example. Of the 1,008 state banks 121 went down in the deflation period and about 25 more were absorbed. The state guaranty fund commission is administering the affairs of 96 banks.

The weakness of the situation in the United States is "too many banks and too few bankers," according to R. L. Thornton, president of the Texas Bankers Association, who declares that under the prevailing system too much of the gross profits is dissipated in duplicate and unnecessary overhead.

Efforts have been made to support the small unit banks in the United States by state guarantees, but these have proven a failure and, seemingly, in the words of Vice-governor Platt, "the only remedy left is branch banking."

GAS VERSUS ELECTRICITY

A FEW years ago many holders of gas company stocks were quite jumpy about the future of the industry and the stability of their investment. They were told that the world would be lighted and heated by electricity and that the white fuel would replace gas for lighting and cooking as gas had taken the place of oil and coal for these purposes. But just as the markets for petroleum products continued to expand in the face of gas competition, so has the consumption of gas continued to grow in the face of electrical development. And that growth promises to continue.

Not only may it be pointed out that the consumption of gas in Canada and the United States increased from 150,000,000,000 cubic feet in 1910 to 320,000,000,000 cubic feet in 1920 and 420,000,000,000 cubic feet in 1924, but this growth promises to continue with increasing consumption in industrial activities and reasonable assurance that it is only a matter of a short time until gas will be used extensively for the heating of homes as well as for cooking.

With the increasing costs of hydro power development, as the readily available water powers are made use of, there is growing recognition that such power can be used to much better advantage for industrial power rather than for domestic purposes apart from lighting. Further, investigating engineers have come to the definite conclusion that the use of electricity for domestic heating is economically unsound and that its use for cooking is questionable. After an exhaustive study of the available information on the subject, Samuel S. Wyer, of Columbus, who has recently made reports on Niagara developments for the Smithsonian Institution and on Muscle Shoals for the American government, arrives at the "irresistible conclusions" that:

(a) Electric cooking is a luxury for a limited few for whom reduced rates—except for quantity used—cannot be justified in social justice and non-discrimination to all consumers.

(b) Electric heating of houses would be a gross waste rather than a conservation of fuel resources and so prohibitive in cost to users as to be beyond all consideration.

All of which should not only give confidence to the investors in gas securities but should direct attention to the fact that the economically sound field for electricity is illumination and industrial motive power; even in the field of transportation electricity has a keen competitor in gasoline. The future promises that the demands for petroleum, gas and electricity will continue to grow, but judgment should be used to see that each is employed to the best economic advantage in the interests of the public.

THE DAY OF THE MOTOR BUS

WITH the Peterborough Radial Railway showing a deficit, the Hydro Commission, which is operating the system, proposes a bus service to give a service which will meet public demands and build up revenue. Evidently the Hydro is coming to realize that radial railways have a real competitor in the motor bus. And it is only a couple of years ago that the Hydro did its best to plunge the province into a program of radial building that was estimated to eventually involve a couple of hundred million dollars.

Ontario taxpayers can thank the Drury government for one thing at least—it had the courage to appoint the Sutherland Commission which exposed the ridiculous unsoundness of the Hydro radial railway project.

TRUTH ABOUT LIGHTNING RODS

THE lightning rod agent who has long been the butt of the jokesmiths and often listed among the unnecessary nuisances, becomes a benefactor to command the respect of the community, when one studies the annual report of Ontario's fire marshal. In 1924 there were 593 lightning fires in the province, entailing a loss of $387,000, and of these only six, with a loss of $95, occurred on buildings which had been "rodded."

All power to the long abused lightning rod agent and to the manufacturers of the equipment he is selling to the public, on the basis of these figures. These manufacturers are among those whose products are not little known but are little understood by the public. They could do some educational advertising to very good effect.

It is time that people were made to understand that the lightning rod is a protector of life and property—not a joke. And the libel against the lightning-rod agent should be squelched.

THE PROGRESSIVES SPLIT

THE Progressive group was badly split on two issues that came before parliament in its dying hours. The members were grievously divided over the railway freights bill, which settled the controversy over the Crow's Nest Pass agreement, and riven in various directions over the revision of the Canada Grain Act.

The railway rate legislation divided them in the first place on territorial lines, the Ontario members generally feeling that the proposal to give the railway commission as free a hand as possible was in the best interests of the Dominion. Then the Alberta members were more concerned in getting good rates to the Pacific on grain than in keeping obsolete westbound rates on a number of articles now of little value. Many western members, too, felt that they had a good deal to gain by the settlement as effected, and that if the issue had been really thrown on the floor of parliament, it might have resulted in the abolition of the special eastbound rates on grain and flour.

In discussions on the grain bill there were sharp divisions over the practice known as "mixing." This has been opposed vigorously by many of the Progressives, but was as vigorously supported by Hon. T. A. Crerar of the United Grain Growers' Grain Co., who on this issue stood side by side with Dr. Magill, secretary of the Winnipeg grain exchange. A related dispute arose over the right of the producers to route their grain to the terminal elevator of their choice, and this issue was brought to a vote in the House itself, when Coote of Macleod moved that the grain pools should be given this right.

So serious was the split in the Progressive party over this issue that Mr. Crerar, Robert Forke, the leader, and a handful of Eastern members voted with the Liberals and Conservatives generally against the bulk of their supporters who stood for the special routing privilege of the pools.

REV. ENOS BACON, of Kellogg, Minn., said to be the only man in the world with two larynxes, and able to sing soprano and baritone, sells his double throat to the British Medical Association for $10,000, delivery to be made at his death. On the "street" this is called dealing in futures.

* * *

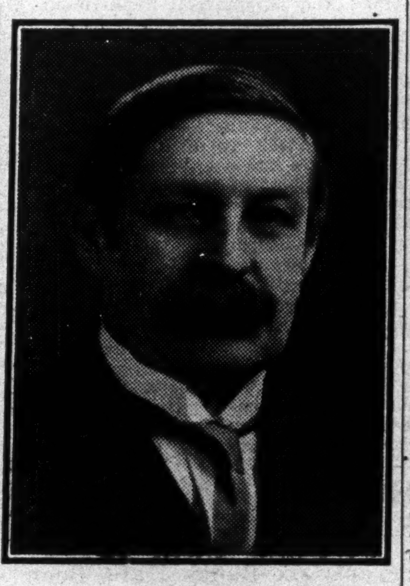
LIFE insurance in force in the United States and Canada at the end of 1924 amounted to $64,000,000,000, which is roughly equal to the annual income of the two countries. As applied to the United States, the insurance in force was equal to the aggregate of the average income of $1,500 of all persons over 14 gainfully employed.

Half Century of Merchandising Sees Many Changes in Methods

Sir James Woods Tells of Days When There Were 21 Wholesale Dry Goods Houses in Toronto—Only Two Survive but Wholesaler Has Still a Real Place in Rendering Service

By J. W. TYSON.

The scene was a session of the Ontario Associated Boards of Trade and Chambers of Commerce in the council chamber of Toronto's city hall. A resolution reaffirming full faith and confidence in the policy of British preference had just been put to the meeting with the usual patriotic eloquence. Colonel Ponton, of Belleville, that wordy old supporter of Empire ties had concluded a speech which lacked nothing in vigor or sentiment, although perhaps a little short on originality to move his audience greatly. It was seemingly all over but the voting, when a sturdy figure arose—a figure that somehow gave the impression of Bairnsfather's Old Bill, because of the droopy moustache and of the Bovril trade mark, because of the shaggy hair and stocky physique. That was Sir James Woods. In a five minute address, which in its first words brought most of the audience upright in their chairs, he made a business man's straight forward plea for a preferential trade arrangement which would work two ways—something obtained for something granted—and concluded with an amendment which won the votes of the great majority of those present.



SIR JAMES WOOD

If any conclusions were drawn from the foregoing that Sir James is lacking in British sentiment it would be a grave injustice. As he explained convincingly, he took second place to none among those present in his loyalty to the Empire and it was in this spirit that he proposed his amendment—a course which would be more effective in a practical way in cementing the ties of Empire than a mere endorsation of a trade theory which experience had proven was not founded on a sound business basis. And he spoke as the importer rather than as the manufacturer directly affected by British competition.

That five minute address of Sir James, practical, straightforward, logical and convincing brought out some of the characteristics which have made him an outstanding figure in Canada's mercantile world. As president of Gordon, MacKay & Co., Toronto, he is a leader not only in the field of wholesale merchandising, but he has extended his interests widely in both private and public business. His title was a well-earned reward for Empire service during the war when he was a member of the British mission to Washington and when he was an active worker in the British Red Cross and other patriotic movements.

The Middleman's Place

As head of a big wholesale house Sir James is naturally a close student of merchandising trends and of the recent tendencies towards chain store retailing and group buying to eliminate the middleman. When Sir James came to Toronto there were twenty-one wholesale dry goods houses in the city. Of these only two remain, John MacDonald & Co. and Gordon, MacKay & Co. Of this situation Sir James recently said:

The middleman would appear to have no logical right of existence but he does fill a very important part in our national system of merchandising. Without the stocks carried by the wholesaler the small stores could not exist. Their trade would go to the nearby large town, or the mail order house would get the business. And this brings me to changed methods of merchandising, which recent years have introduced. In it all and through it all is the thought of eliminating the cost of the middleman, and the middleman will be eliminated, and ought to be eliminated, unless he renders a needed service and can by skilful merchandising meet every kind of competition.

The departmental store, the mail order house, and the chain store or group system of buying are, of course, cutting into the wholesaler's trade, and manufacturers are more and more selling direct to the retailer. In fact, the latest development of merchandising aims at cutting out both wholesaler and retailer. One of the very large silk hosiery factories in the United States sells its entire output through sales people who go from house to house, soliciting silk hosiery orders in $5 units. The housewife pays the canvasser $1, which incidentally is his commission, and the postman collects the other $4 when he delivers the parcel. No bookkeeping, no bad debts and no overhead. But the success of this method applied to hosiery is bringing various manufacturers of other lines to try it, and if the method continues to grow the poor housewife will be spending a large part of her time in interviewing agents. It is doubtful whether people will submit to being pestered in this way, and the probability is that this method of merchandising will die a natural death.

A novel chain store idea has been successfully worked in the United States by the J. C. Penny Co., whose sales last year totalled $70,000,000. Starting about 15 years ago with one store, Penny advertised for salesmen who were willing to work long hours for small pay, figuring in this way to eliminate the shirker. At the end of six months he went to his head clerk, offering to start him in a store of his own, the Penny Co., Penny himself and the clerk each taking a third interest in the new venture, but with the proviso that all merchandise must be purchased through the Penny wholesale, then being formed.

The former head clerk, now a store manager, at the end of six months in his new store, was allowed to take his head clerk and set him up in another new store, each of these head clerks taking a third interest and the Penny Co. the other third in this new venture. This is an endless chain arrangement, and there are now over 500 stores, all buying through the Penny wholesale, the ownership of each store being divided as follows:

The manager one-third, his former manager one-third, and the Penny Co. one-third.

This year, the largest mail order house in the world opened a department store in Chicago, the first of a chain to be established in various American cities. It is interesting to note that the largest wholesalers of general merchandise in the United States, with five huge distributing warehouses, do their entire business by the monthly catalogue method and sales to customers who visit their sample rooms, thus eliminating travelers.

Tells of His Youth

Of Sir James' youth a vivid picture was painted by himself before a meeting of the young banker members of the Toronto Bankers' Educational Association a couple of months ago. This is his own story as he told it:

My business career commenced in Galt 56 years ago in a retail drygoods store. This store was typical of many found in the larger towns of old Ontario. Considering the period, they were wonderful businesses, uniformly successful. I do not recollect a single failure until the businesses passed to the second generation, and success was due solely to hard work, long hours and rigid economy, the owners of these businesses themselves setting the example.

The Galt store sold only drygoods, but took in exchange all kinds of farm produce. Farm produce exchanged in this way to-day consists almost entirely of butter and eggs, but there we had a surprising variety of farm produce brought in to us—butter and eggs, of course, and poultry, cheese, lard, home-cured bacon and ham, raw wool, feathers, homespun yarn and handknit mitts and socks made of this yarn, and, lastly, home-made textiles of various kinds, flannel sheeting, all-wool or with cotton warp, home-made freize or full cloth of excellent quality and endless wear. These thrifty farmers raised their own sheep, spun the yarn, wove the cloth, fulled or finished it, cut out garments (or got a tailor to cut them out), then made them up, and that without the aid of any sewing machine,—father, mother, sons and daughters all sharing in the work. I remember, quite distinctly, seeing a farmer, his wife and young son all dressed from what was evidently the one piece of cloth—overcoats, suits, and the mother's coat and skirt all from the same piece of cloth. This would be an odd sight to-day, but I assure you they looked comfortable and happy.

Let me digress for a minute to show what, to my mind, gave rise to this very general household industry, other, I mean, than the necessity of meeting a situation,—and there is no more interesting story than that of its development and its disappearance. In early colonial days the ruling body, realizing the importance of settlers learning to clothe themselves, and desiring to stop the export of money which was badly needed for the development of the country, resorted to various expedients. Bounties were offered to increase the number of sheep and to promote the growth of flax. In Massachusetts, laws were passed making it compulsory that each family should spin a given quantity of yarn each year, under penalties of heavy fines. Pennsylvania had similar laws, and part of Waterloo County was settled by the Pennsylvania Dutch.

And now comes an interesting incident in history. Remember, in the early days, say a century and a half ago, all fine clothes worn on this continent were imported from England. Doubtless the astute English woollen manufacturer saw in the growth of population in America a great and ever increasing market for his cloths, and, following the well-known practice of lobbying, succeeded in having a law passed in 1774 forbidding the exportation, under severe penalties, of any machines used in the manufacture of textiles. This act remained in force, with modifications, until 1845. Measures were also taken to prevent expert textile operatives migrating, but it is easier to bottle up machinery than to bottle up brains, and about the year 1790, two men, an Englishman and a Scotchman, brought in their heads the power loom and the spinning frame, and American machinists did the rest. The British Statute did succeed in retarding the development of the industry abroad, because 100 years ago America was a century behind Great Britain in textile development.

Let me get back to my retail experience in Galt. I have dealt with what we took in from the farmer, now a word as to what we sold may not be without interest. One of the big items, as I remember it, in our sales, was the buffalo robe. We bought these in bales from the Hudson's Bay Co. When the season's supply arrived the bales were opened, the robes examined and carefully sorted as to size, quality and color, and priced so as to make the shipment yield an all-round profit.

Two other items of importance in our sales were carpet warp and cotton yarn, both sold to farmers, the one for the weaving of rag carpets, and I distinctly remember a red letter day when a farmer bought a Brussels carpet for his drawing-room—the first farmhouse in the district, so it was said, that had floor covering of any kind that was not home-made. The cotton yarn was used as warp for home-made sheeting. I would just touch on another illustration of the thrift then common. I remember when factory-made overalls and work shirts first made their appearance in Galt—and it took a long time for them to get a foothold. Garments were sold by the yard and made at home, and this early experience of mine accounts, probably, for my persistent urging that whatever the tariff on textiles may be let it go sky high on garments. It does not matter how high the duty may be on garments, the manufacturer cannot rob the public. All that is needed to start a garment factory is a pair of scissors and a sewing machine. As we have it now, more cloth comes into the country in the form of garments than in the piece, and, if they studied the question, I believe textile manufacturers would see in my recommendation substantial protection for their industry and at no cost to the consumer.

In these earlier days there was little knitted underwear sold. A Scotchman, named Turnbull, started a very small factory in Galt, making what he called "Scotch-Knit Underwear." It was made to measure and knit on flat machines. Mr. Turnbull was father of the late Charles Turnbull of Galt, who has built up a remarkably successful industry marketing his product under the well advertised trademark: CeeTee.

Now, what did people use as underwear? In those days we sold quantities of scarlet flannel. We sold also white and grey, but the real color was red. It was advertised and marked as anti-sciatic, anti-rheumatic, and so on. All kinds of talking points were suggested by the manufacturer to help the sale of his product but the fact is that the underwear of father, mother, and the youngsters was all bought by the yard and made up at home.

I entered the employ of Gordon Mackay & Co. in 1874, completing my half century of service in May of last year.

Sir James is not often in the limelight, but he is constantly doing effective work in public matters. In addition to his war activities he has been a prominent member of the council of the Toronto Board of Trade and during his presidency of that body energetically pushed the viaduct plan for the development of the waterfront. His business connections include a directorship of the Imperial Bank.

Tried to Involve British Govt. in G. T. Dispute

Some of those who are back of the G. T. debenture agitation in London recently, tried to bring the British government into the case, to the end that new pressure would be brought on the Canadian government in an effort to get some recognition for their claims. The effort failed. Discussing it, "Canada" remarks:

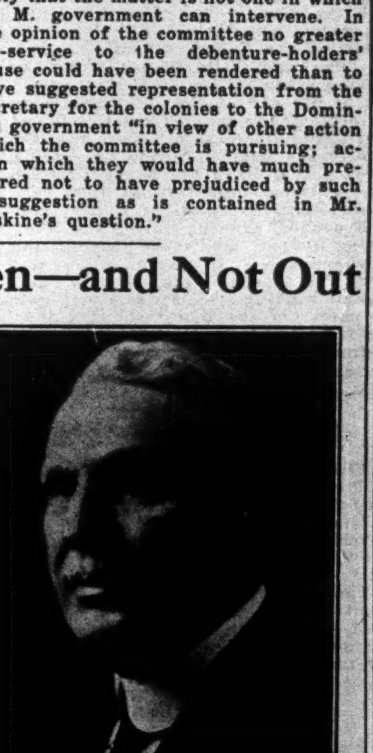
"Whilst, of course, independent holders of Grand Trunk Pacific Debentures are obviously entitled to adopt whatever methods they prefer in their efforts to secure adequate representation of their views, the stockholders' committee, which has done such good work in protecting the interests of those stockholders who have entrusted to it a very difficult task, is equally entitled to criticise such action, when in its opinion it is likely to prove disadvantageous to the attainment of the objects which the committee was formed to advance. In the opinion of the latter it is highly undesirable that the assistance of H. M. government should be invoked, and the question addressed to the secretary for the colonies in the House of Commons last week has drawn a prompt letter from the chairman of the committee repudiating such action, and stating that this body is in entire agreement with Mr. Ormsby-Gore's reply that the matter is not one in which H. M. government can intervene. In the opinion of the committee no greater dis-service to the debenture-holders' cause could have been rendered than to have suggested representation from the secretary for the colonies to the Dominion government "in view of other action which the committee is pursuing; action which they would have much preferred not to have prejudiced by such a suggestion as is contained in Mr. Erskine's question."

Three Score and Ten—and Not Out

June 24. marked the seventieth birthday of Thomas Ahearn, Ottawa. Mr. Ahearn is known the world over as the electrical engineer who, with his late partner Warren Y. Soper, first solved the problem of operating an electric service on wheels throughout the winter, making it possible to run street cars satisfactorily during our Canadian winters.

A firm believer in the efficacy of hard work, Mr. Ahearn celebrated his birthday by attending a meeting in Montreal of the board of directors of the Bell Telephone Co., in whose progress and success he takes a great pride, as he was the company's first manager at Ottawa back in 1880.

Mr. Ahearn was born in Ottawa and as a young man was, like a number of others who have become leaders in Canadian enterprises, a telegraph operator. He was 25 when he joined the Bell Company and two years later the partnership of Ahearn and Soper, electrical engineers, was formed. The firm has constructed and equipped some of the largest electrical works in Canada.



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Personal

H. L. SANBORN, hydraulic and electrical engineer of Abitibi Power and Paper, is to manage Abitibi Electrical Development, a subsidiary of Abitibi, to handle Island Falls plant taken over from Hollinger mine. Of the change, Broke Hustler, the Abitibi publication at Iroquois Falls, says: The appointment, while a natural sequence to his work in connection with the Abitibi Company, has caused a good deal of satisfaction in Iroquois Falls because it is in line with the company's settled policy of carrying on the work of the company through the men who have been intimately associated with it in the past. Mr. Sanborn is the only superintendent of the company who occupied that position when the mill was started. He came to Iroquois Falls in 1913 as hydraulic and electrical superintendent and has been in charge of these two departments ever since.

J. O. APPS, who has been made general executive assistant of the Canadian Pacific Railway, was born November 9, 1877, at Tara, Ont., attended public schools at Montgomery, Alabama, and Chicago, and entered the service of the Illinois Central Railway, Chicago, at the age of 16 as clerk in the local freight office. In 1896 he resigned and joined the staff of the Canadian Pacific Railway the following year in the office of the general superintendent as stenographer. Less than six years later, in March, 1903, he was appointed chief clerk in the general baggage department and by May, 1907, had been promoted assistant general baggage agent. He was made general baggage agent on January 1, 1909. His next move was on January 1, 1916, when he was placed in charge of the government mail traffic system. In April, 1922, the baggage and mail traffic ocean service was placed under his supervision and this was followed by his present appointment as general executive assistant.

J. D. FLAVELLE, widely known business man and brother of Sir Joseph Flavelle, whose death occurred at Lindsay on Saturday, entered the firm of Dundas and Flavelle when he settled in Lindsay in 1864, and in 1884 he became manager of the milling interests of the firm, which were greatly extended. In 1911 he became president of the Canadian Cereal Company. He was born in 1850 near Peterboro, and after moving to Lindsay became an outstanding figure in the business community not only of that place but throughout the country. He took an active interest in local affairs, having been chairman of the board of governors of the Ross Memorial Hospital for 25 years, and chairman of the board of Waterworks Commissioners for 18 years of his 25 consecutive years of membership. He was an active temperance worker and chairman of the License Board of Ontario from 1915 to 1921. Deceased had a reputation throughout Canada as a curler, receiving a gold medal from the Royal Caledonia Curling Association for doing more than any other man in the country for the game. He won many trophies in the Winnipeg bonspiels, including the International Cup and the Grand Challenge cup, and figured on the rinks for Lindsay which won the Ontario Tankard six times as well as the Governor General's trophy and other events. He was also a famous lacrosse player in the days of Sir Sam Hughes, and a noted bicyclist when long distance riding was popular.

S. H. Logan, senior agent of Canadian Bank of Commerce, New York, sailed for Europe on Tuesday.

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Current Opinion

A BUSINESS RELATION

London Morning Post: The relations between Great Britain and America, and, indeed, between Europe and America, which really do matter, are those between debtor and creditor. The Americans are a very shrewd people, and they want their money. We neither praise them nor blame them, but there it is, and the feeling in this country is to put an end to all unnecessary eloquence and to get to business, and pay up.

RETAILERS' INFLUENCE

Hardware and Metal: Retailers, as a class, are inclined to let the public become unappreciative of the service which merchants render to the district which they serve. All business has become so highly organized and specialized to-day that we are inclined to take too much for granted and establish too low a value upon what it means to the public to have retail stores bringing almost to their door a wide selection of merchandise from all corners of the earth.

LOOKING AFTER THE TOURISTS

Brockville Recorder-Times: In endeavoring to promote standardization of tourist camps and ample safeguards for the health of those who frequent them, the Ontario department of health is undertaking a campaign which must prove of the greatest value and which reflects the increasing interest which is being taken from year to year in the welfare of those who make their way through Ontario by motor and other means. Such are the proportions which the tourist traffic has reached and such is the promise entertained for a still greater movement of this kind that more emphasis is now being placed upon the subject than ever before and it may be predicted that the efforts which are being put forth to make Ontario a model touring-ground will result in an even more extensive traffic.

BIG MEN CANNOT BEQUEATH BRAINS

Forbes Magazine: Our Rockefellers, Carnegies, Fricks, Vanderbilts, Goulds, Hills, Harrimans, Astors, Eastmans Stillmans, Pullmans, Fields, can bequeath enormous fortunes, but they cannot bequeath brains. Not one Napoleonic son has sprung from these Titans, not one son who is doing gigantic things in the world of finance, railroading or business. And news comes from Germany that the many-columned monument spectacularly erected by Hugo Stinnes, the German Colossus, is tottering, with no son fit to hold it together.

To-day 90 per cent. of the biggest jobs in America are filled by first-generation leaders. Such as Ford, Gary, Thayer Schwab, Grace, Edison, White, Wilson, Sloan, Willys, Durant, Nash, Young, Swope, Farrell, Tripp, Crowley Willard, Gary, O. P. Van Sweringen, Baker, Dillon, Mitchell, Sabin, Wiggin, Lamont, Carry, Doherty, to name only a few.

Is there not encouragement in this for the millions of earnest, diligent, ambitious American workers who are studying, striving, sweating to reach the top? Does it not mean that brains, not birth, nor money, win?

May it not be, after all, that Providence is no fool?

AMERICAN INVESTMENTS

Port Arthur News-Chronicle: According to a report recently issued by Dr. Rufus S. Tucker, of the United States Department of Commerce, obligations guaranteed by the governments of Canada and Newfoundland are held in the United States to the extent of $1,060,000,000. The amount invested by Americans in Canadian industrial securities and in other forms of investment totals $1,400,000,000. These figures are a plain indication of the faith of the American people in the future of the Dominion. For purposes of comparison, it may be stated that government securities held by Americans amount to $840,000,000, whereas American money invested in private undertakings in those countries reaches the enormous total of $3,200,000,000. There is plenty of money in the United States for investment, and it naturally seeks the most remunerative market. In the last decade the investments abroad have increased from $2,000,000,000 just before the war to $9,000,000,000 at the present time, not taking into account the war loans.

With this in mind, Canadians should be prepared to give every reasonable chance to United States investors to make their capital earn fair returns.

GROUP BUYING EXTENDS IN WEST

Manitoba Free Press: Competition in almost every line of business to-day is very keen and in this regard probably no business is more closely affected than the grocery business. Large establishments with their greater buying power and chain stores have made the successful operation of the small business one of difficulty. It has even made itself felt in the wholesale establishments, and in Eastern Canada there have been amalgamations and negotiations all tending to the consolidation of business and the reduction of overhead expense. Rumors are not wanting that some of the contemplated mergers of wholesale establishments will involve some of the larger Western firms, but up to the present time there appears no foundation for these rumors.

It is true, however, that the independent stores have been forced into action to preserve their business existence, one of the results being the formation some time ago of United Grocers, Ltd., in Winnipeg. United Grocers is really a buying organization, giving to a number of stores the purchasing power that would be theirs as a chain organization, the selling end being left to the individual proprietor.

A LEGISLATIVE MORATORIUM

The Pay Roll: The greatest danger that threatens Canada as a whole is the apparently universal disrespect in which law and constituted authority have come to be held. This revolt against the restraints of law and established authority seems to pervade every stratum of society and every field of mental, moral, and physical energy.

Partially as a result and partially as a cause, there had arisen a mania for trying to cure all ills, economic, political, and moral, by resort to legislative processes. Within recent years we have multiplied statutes of every sort until the average citizen could not possibly be one hundred per cent. law abiding even if he went to bed and slept all the time.

What we need most is a legislative moratorium for a few years except that absolutely necessary to the proper functioning of government.

The cost of government has risen apace so that it has become our chief economic problem and the greatest obstacle to our industrial and commercial development. Instead of encouraging industry, government has too often preyed upon it.

THE FACTS OF LIFE

Farm and Ranch Review: In these days of wild-eyed, ranting demagogues and professional politicians, rushing up and down the countryside with cut-and-dried schemes for reforming the world in general and agriculture in particular, it is refreshing every now and again to come across a writer on rural subjects who is not carried away by all this radical and socialistic hokum and who recognizes the vast bearing of the time element and the fundamental facts of life upon human progress. Such a philosopher is D.C.W., a contributor to the "Breeders' Gazette." In a recent issue he dwells upon the education of the young and says, amongst other things, that: ". . . . . Some old rules, set in the concrete of experience, cannot be broken with either physical or moral impunity by any one, anywhere or at any time. Most people learn through pain in the cloudy afternoon of their lives to respect these rules. To most of us wisdom comes late, if at all, and at high costs. How may we hasten its coming to young people, and lower its cost to them? In arriving at a wise answer, is it not necessary to break many rules that no longer apply to the facts of life as young people are living it in an age more stimulating, romantic, thrilling demoralizing and revolutionary than any other in man's recorded history? What a lot of leathery cud there is to chew—if one has teeth for it! I prefer it to milky mush."

Your Investments

Questions of general interest submitted by subscribers of The Financial Post will be answered in this column, in which case only initials will be used. Other inquiries will be answered by mail. A three-cent stamp should be enclosed to cover a direct reply.

Silver Centre Claims

R. W. B., Nova Scotia: Could you give me information re Silver Centre syndicate, claims C. T. 66, 67, 69? What are the chances?

These claims are south and west of Keeley in what is termed conglomerate formation. So far this section of the Lorrain camp has been barren of results. The number should be T.C., not C.T.

Volcanic Gas and Oil

Rockies—An agent recommends Volcanic Gas and Oil as a good and safe investment. Would appreciate your opinion and information as to the company's position. What are the shares selling at?

Volcanic Gas and Oil controls Union Natural Gas. The shares are traded in unlisted security circles at 28-30. The stock is said to be closely held. Dividends are said to be paid at the rate ¾ of 1 per cent. monthly. No balance sheet is available. The company is capitalized at $3,000,000 with $2,559,400 issues.

Premier Mines

Vancouver Reader: Would you be good enough to give your opinion on Premier Mines, selling around 2.40. Is it too high?

Premier Mine is well regarded as a mining proposition. The company has been a heavy dividend payer and the yield at the present price is satisfactory, 14½ per cent. Taking half as return of capital and half as income on the investment. There is considerable talk of the company acquiring additional property. As to other mining ventures, you had better watch our mining issue which will be out shortly and which will deal at length with all companies.

Crown Reserve and Keora

Byng—What is your opinion of Crown Reserve and Keora?

Crown Reserve is operating a gold property in Larder Lake. So far it shapes up like a fairly large low grade proposition although there has been some good grade ore found. Operations are financed for a month or so yet and in the meantime it is expected that the additional funds will be found to carry on the production. Keora is operating a silver property in Gowganda which is said to be looking excellent. The company is buying a concentrator and expects to be shipping silver concentrates in the not distant future. It is well financed.

West Dome Lake

Unbridge—Would like your opinion on Consolidated West Dome Lake.

Consolidated West Dome Lake has had its ups and downs. At present it is producing around $26,000 a month which is paying expenses and allowing a good sum for exploratory work. It is understood that an excellent shoot has been found on the 1,050-ft. level and if this vein persists to lower levels, it would make the operation look better. Officials of the company state that the mine will carry itself without a reorganization. Such being the case the shares should be regarded as a speculation, the degree of which is indicated by the market price of the shares.

Contact Bay Mining

Bridgewater—Is there any market for the shares of the Contact Bay Mining Co.?

Contact Bay Mining Co. is operating in North Western Ontario. This section was in the forefront a number of years ago and has been neglected ever since until lately. There is an opinion abroad that with modern mining methods, many of these properties can be placed on a profitable basis. That remains to be seen. The outlook, in view of the rich ore that was mined there years ago, is not without promise. The property is still in the prospect stage so that the shares are to be regarded as a pure speculation. The shares are unlisted and there is no known market for them.

Western Life

Brandon—Please give me your opinion of the stock of the Western Empire Life Assurance Co.

The Western Empire Life Assurance Company operating under the Federal Department of Insurance by which it is licensed, is sound and quite safe from the standpoint of policyholders.

From the standpoint of the shareholders there is to be considered the fact that experience has shown that the larger insurance companies make the more satisfactory profits. The Western Empire is well managed, but it is still a comparatively small concern, the rapidity of the growth of which will no doubt depend upon the country's development and prosperity. Shareholders will profit accordingly.

Howard Smith Preferred

H. R. B., Quebec.—Am considering investing some money in Howard Smith Paper Mills, Ltd., and would appreciate your advice on this company's position and prospects.

We take it you refer to the preferred stock; the common stock is at present not paying dividends. The preferred dividend requirements amount to $120,000 annually; last year earnings, after allowing for depreciation, totalled $298,043. It is stated that earnings for the current year will be in excess of 1924 and that the company's export business is showing gradual improvement. The stock is now selling around 104 and it would at this figure return you a nice yield.

The working capital position of the company has improved each year and has resulted in current assets of $2,127,719 as against current liabilities of $901,678 at the end of December last. The passing of the common dividend last year has helped to better the company's financial position.

As has been said the company's business has shown an improvement over the first six months of 1924. Indications point to the fact that these improvements will continue.

The stock does not appear to have a wide market and recently it has experienced a considerable rise; this leads as to the belief that you cannot expect a further rise in the stock until earnings show a considerable improvement.

At the moment it looks like a high yield stock with the possibility of the earnings showing an increase from year to year. Present indications are that the preferred dividend is well assured.

Automatic Telephones Will Eventually Increase Profits

The Bell Telephone Company Looks Many Years Ahead and Allows for Scarcity of Operators at Time When Telephone Requirements Are Much Increased

From Our Own Correspondent.

MONTREAL.—The introduction of machine switching, or what is more popularly known as automatic telephones, has attracted a considerable amount of public interest and naturally the investor in telephone stock wonders just what the effect of this new department will be on the securities of the company in which he is interested.

In the first place there are just two reasons which have prompted the Bell Telephone Co. to adopt the new automatic phones. The first is due to lower operating cost, and the second, is because 10 or 20 years hence, with women entering so many new fields of endeavor, it is more than possible that the supply of oeprators will not be sufficient to meet the demand at that time, more especially when the rapid growth of the telephone system over the past few years is considered.

It is said that the cost of the instalation of a manual switch-board runs about $46 per each station which the board handles. The cost of the automatic switchboard runs in the neighborhood of $109 for each station, but the operating cost on the automatics is $9 a year lower than on the manual station.

Evolution—Not Revolution

This week, it was announced that the City of Quebec will have its first automatic exchange in November next. The whole city, however, will not be served by automatics until the end of 1926 at the earliest. This indicates the policy of the company; there is to be no hasty tearing out of manual exchanges and installing automatics—it is a process of slow evolution. Probably Montreal and Toronto will not be completely equipped with automatic exchanges until, say 1940. The process of installation will, therefore, be a slow one, and the investor can look for no radical changes in the company's finances or financing.

However, the installation of the automatic exchanges will require more capital expenditures than have the installation of manual exchanges in the past, so that it is possible that in the future the company may make more frequent stock offerings to its shareholders. This is one benefit which will come to the shareholders through the introduction of the automatic.

There is, of course, another benefit which will eventually be participated in by the shareholder and it is the lowered operating cost.

Higher Fixed Charges

While it is quite true that the automatic system reduces a number of operators very greatly, on the other hand, the first cost of the equipment is heavy and in consequence the carrying charges are much increased. It is also necessary to put up a special type of building to house the equipment and the power for operating the apparatus is about twice that required for the manual system. From this it can be seen that the whole matter comes down to a question of wages versus overhead charges plus operating costs. At the moment there are probably not any very great net savings being made by the automatic system as linking up of the automatics with the manual exchanges require considerable amount of additional equipment, but when machine switching becomes more common, the results will undoubtedly be more satisfactory.

No Operator Shortage

With regard to the shortage of operators, this does not exist at present, but it would exist should the company continue its present system of manual operations. In making the change to the automatic, the company is looking not to this year nor next, nor the following year, but probably 10 or 20 years hence. This has been the policy since its earliest days—slowly but surely in the anticipation of future requirements the company has changed and modernized its equipment. As an example, many will remember the old telephones which had to be "cranked." In addition, of course, there have been tremendous changes made in the actual operation of exchanges themselves in the substituting of mechanical apparatus for manual apparatus.

This looking years in advance has resulted in the company being able to take care of all the demands which are made for its services.

No doubt it could carry on with its present equipment for many years, but in the future it would surely come to a realization that a radical and drastic change was necessary. In gradually bringing in the automatics, the Bell Telephone Company is avoiding trouble for itself in the future and ensuring that it will be able to look after future requirements of the many communities which it serves.

The holders of Bell Telephone Company's stocks may therefore look only for two things. First, an eventual reduction of operating cost. This probably does not mean a reduction of operating costs within the next 5 years, but it does mean that they must come down some time. The second thing the shareholder can look forward to—a thing which he has always been looking forward to in the past—is the further distribution of stock to the shareholders at below market prices. There is the probability, too, that these stock issues may be more frequent in the future, due to the higher cost of the new automatic equipment.

STOCKS HAVE FALLEN AWAY FROM HIGH LEVEL OF THE YEAR

(Continued from page 1)

of the year but in the recent past, due to heavy buying, thought to be on Belgian account, it reached a new high and has since eased. Brazilian has been very popular in the trading. It is largely a matter of exchange with the company. It is true that earnings are falling somewhat but this is a seasonable problem only, being attributed to the drought and is regarded as nothing when compared to what would happen to the company's position were milreis to make any great improvement. Duluth Superior was in the limelight for a time on the expectation that the company would be able to pay common dividends. These expectations were based on earnings early in the year which were not sustained. Porto Rico has had a 10 point rise during the six months. The Post has frequently emphasized the improvement which is taking place in the company's affairs. Winnipeg Electric is holding its improved position, presumably on the payment of dividends. Some believe that the 4 per cent. basis is to be maintained, but opinions differ.

		6 mos., 1925		June 30
	H.	H.	L.	Last Sale
C. P. R.	151¼	152¼	137	143
C. S. S. c.	11½	13¾	10	10
Barcelona	22⅝	24⅛	18⅛	21
Brazilian	55⅛	57½	49⅝	55⅛
D. U. R.	25½	29	2	Off
Duluth S.	38	42	34	34
Porto Rico c.	36	46⅝	35¼	46⅛
Twin City c.	65¼	70	58	69
Peg. Elec. c.	37⅛	49½	35¼	48⅜

Textile Leaders Gain

Though it has not been a good year for the textile companies, the shares of the leaders have not suffered greatly, as the table attached indicates. The stocks of the three leaders of the group are all at higher levels.

		6 mos., 1925		June 30
	H.	H.	L.	Last Sale
Can. Converters	81½	87	80	84
Dom. Textile	66⅛	79⅜	66	77
Penmans c.	150⅝	166	144	161

General List Higher

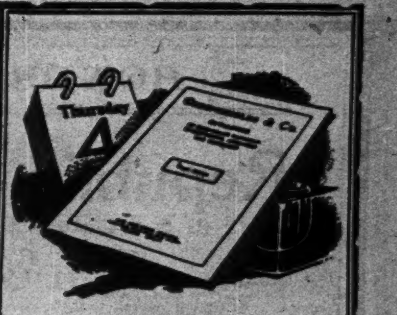
The experience of the industrial group has been generally a good one. Most of the active issues are selling at much higher levels than prevailed a year ago, while those that have gone backward have been few in number. The Moore group companies have experienced improved business and this is reflected in the old issues as well as in the stock of the Gilman Co. listed during the year. The Asbestos shares have been one of the features of the year and provided a great deal of trading. This has been due to the interest in the merger. Atlantic sugar is much stronger, due to two reasons. One, that the company's business is much better and the other, that there have been negotiations for control at a much higher price than the present market, going on for some time. Canada Cement has come to be regarded as one of the seasoned issues of the list. Industrial Alcohol which last year had such a flurry has steadily eased off. City Dairy shares are considerably below the high, 29 points on the old stock. Many expected that prices much over the 80 mark would bring holders to realize that they had four times as many shares as they had before the split up and that is what happened. The selling which was started has not dried up as yet. Canners was the prize stock of the year. Those who got some of it in their strong box around the first of the year have cleaned up handsomely. Goodyear preferred has enjoyed a good run and sold a half point above par. The beer war in Montreal played havoc with National Brewery shares. Sherwin-Williams, which had an excellent rise right after the first of the year, though not now as much in the limelight, has managed to maintain the position reached. A feature of the 1925 trading has been the listing of three new industrials which have done well: Gilman, a new Moore Co., Christie Biscuit and Dodge Bros.

		6 mos., 1925		June 30
	H.	H.	L.	Last Sale
Amer. S. Book c.	38½	50½	38	40⅞
Asbes. Corp. c.	35	83	35	83
Atlan. Sug. c.	13½	32	13	30⅞
B. C. Fish	23	42⅛	19	42
F. N. Burt c. (old)	141	183	141	55
F. N. Burt c. (new)	45	55	..	55
Can. Cement c.	92½	110½	90½	100½
C. Ind. Alc.	18⅜	20⅛	14	14⅜
C. Dairy c.	66	87¼	65	80
Dom. Can. c.	57⅞	113	56½	97⅞
Goodyear P.	91	100½	90	93
Nat. Brew.	63½	68	41¼	43⅞
W. Rogers c.	56	65	58	59
S. Williams c.	115	130	115	127½
Christie c.	31¼	56½	31¼	56½
Gilman c.	91	100	80	100
Dodge c.	22¼	24⅛	22	24

Those Who Read the News, Study Values, Make Money; Tips Costly

Frequently The Financial Post is asked to give "tips" on stocks, or bonds. The Post does not make a practice of doing so, but tries to give the facts so that the would-be investor, who knows his own position, can study these facts and reach his own decision. Therein lies the success of market investment and speculation. How it works out was recently told by a broker to the Wall St. Journal:

This broker took a Ph. D. at college and applies lots of psychology to the financial game. He remarked on the few thinkers there were in Wall Street market operations. "I have been down here 18 years," he said, "and I have been flabbergasted at the light amount of thinking customers do. Now and again one of them actually thinks for himself and then he is so amazed when his thought is verified that he forgets that he has not followed it in his operations. I presume the big operators can always trade on this phase of Wall Street psychology. Recently I took a census of my office and I found that 92 per cent. of my customers followed "tips" from various sources and that the other 8 per cent., while following other persons' information quite often, actually worked things out for themselves every now and again. And incidentally the 8 per cent. are my oldest and most successful clients. They read the news and studies in values and then take a position. The others read the ticker tape and listen to all the verbal tips and usually take losses.



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News of the Investment Market

BIG INCREASE IN TOTAL BOND SALES FIRST HALF YEAR

Prices Continue Firm, But Few Offerings Appear During Week

The bond market has continued relatively quiet during the week, only a limited number of municipal issues being offered. Prices still remain firm, and there is no indication of any immediate change in this respect. The mid-summer period is usually a quiet time for bond sales, although July is often a heavy month. Last July, with a total of about $55,000,000, was the largest of the year up to that time with the one exception of January.

The total bond financing for the first half year is materially above that for the first half of last year. This half year's total was $240,523,967 against $170,558,308, which is an increase of about 40 per cent. The 1925 figures, however, include nearly $30,000,000 of treasury bills. While the same increase is not expected to be maintained throughout the entire year, a large volume of financing is in sight, and prospects are that the year will finish at least as large, and probably somewhat larger than last year. While a large volume of financing has been carried on in the United States, as was the case last year, the British market has not yet begun to figure in our financing.

The temporary rise in money rates in New York had no permanent effect in the bond market, and was not of sufficient importance to overcome the effect of the large accumulation of half year interest and dividend payments, most of which was made available for reinvestment at the end of the half year. After the immediate effects of the rate increase, bond prices again became strong and have remained relatively so since. A gradual relaxation of money rates has stimulated buying somewhat but profit-taking has tended to offset the effect and there has been little, if any, net change.

Week's Offerings in Canada

The only new industrial offering of the week was the public offering of $2,500,000 six per cent. mortgage bonds of the Fraser Companies. This issue brings back the story of the development of one of the oldest and strongest of Canadian companies, and one which literally grew up with the country. During the past six years the net earnings of the Fraser Companies have averaged little less than $1,000,000. The actual figure was $980,225, which compares very favorably with the present total bond interest requirements of $360,000 per annum. For the year ending Dec. 31 last, the net earnings were $997,217, and it is estimated that the company should earn approximately $1,100,000 this year. This is more than three times the amount required for bond interest on the issues at present outstanding.

The only municipal issues of the week were the offerings of Guelph, Beamsville, Kingston and the County of Grey. Bidding was fairly active on all of these issues and the prices received, as shown in the attached table, were all attractive.

June Bond Sales

Bond sales for the month of June were very much higher than those for the previous month, the total for the month being $30,956,100. This makes a grand total for the first half year, of all classes, of $240,523,967. Following is a list of the sales for the month and for six months:

Municipal	$ 6,467,975
Provincial	11,596,000
Corporation	12,892,125
Total, June	30,956,100
Year to Date	
January	$ 44,943,771
February	78,182,253
March	19,147,618
April	50,365,045
May	16,929,180
June	30,956,100
Total	$240,523,967x

x—Approximately $30,000,000 of the half-year total is represented by treasury bills.

Can. National Building Plans Are Developing

While there are rumors that plans for the contemplated Canadian National Building to be erected at the corner of King and Yonge Streets, Toronto, have been dropped for the present, there is strong evidence that this is not the case. In fact plans for the building appear to be going ahead satisfactorily. Delay in the passing of orders-in-council at Ottawa seem to have been due to the fact that members were off for a short vacation after the close of the strenuous session, and the lease arrangements were thus held up. According to present plans the building is to be 100 feet by 100, and is to be of a thoroughly modern type, with the centre-shaft elevator system.

It will be recalled that according to a statement made recently by Rt. Hon. Geo. P Graham, minister of railways, the Canadian National had originally intended to use the site which it had purchased from the Imperial Bank. Owing in part to criticism directed against the expenditure of this amount at the time, the Canadian National decided to sell the ground for $1,250,000, retaining rental rights for preferred positions in the new building. Under the arrangement the Canadian National will rent four floors including the ground, at a rental of $16 per foot for the latter, and $3 for the other three floors. This will reduce the total rental to $225,000, and after disposing of space not needed the net cost would be $185,000 per year which is only $2,000 more than the present rental for scattered offices. The railway would also be relieved from taxes and insurance.

NEW YORK HOUSE ON TORONTO EXCHANGE

Edward Allen Pierce, managing partner of A. A. Housman & Co., has been elected a member of the Toronto stock exchange. This is the first instance of a New York stock exchange house becoming a member of the Toronto stock exchange. This move on the part of Mr. Pierce coupled with the fact that he has lately acquired a membership in the Winnipeg Grain Exchange indicates a desire of A. A. Housman & Co. to identify themselves as closely as possible with the business communities in Canada, into which they have recently extended their activities.

Mr. Pierce has belonged for several years to the New York Cotton Exchange and is one of the well known members of the governing body of that institution.

Brantford Cordage preferred shares recently sold to the public are soon to be listed on the stock exchange. The 80,000 shares have been widely distributed among 2,500 shareholders. The present unlisted price is around 26 to 26¼ or 1 to 1¼ above par. The first quarter dividend of 50c. or on an 8 per cent. basis has been declared.

RAILROAD BOND PRICES DEPEND UPON GUARANTEE

Solution of C.N.R. Problem Has Bearing Upon Present Quotations

The report of the Senate committee for the merging of the Canadian railways, and reports that plans are being worked out whereby the national line may be disposed of to private interests, have stirred up a great deal of interest and speculation, not alone with the general public but also with the holders of the various bond issues of the national lines. A point of special interest arises in connection with the effect on these bonds of the possible splitting up of the government's roads.

For some time certain of the outstanding issues, which did not hold either provincial or federal guarantee, have been below the level of the guaranteed issues. At the present time, G.T.P. fours of 1955, which are not guaranteed, are selling around 77, while the C.N.R. issue of 4 per cents. of 1934 are around 92. Canadian Northern 3½'s of 1961, which are guaranteed as to interest payments only, are selling around 76, and Grand Trunk Pacific 3's of 62, which are guaranteed both as to interest and principal, are quoted at 68.

It is evident from the above quotations that those bonds which bear the guarantee of the government are selling at a more attractive price than those without. The point of significance is the probable effect of the disposal of the roads to private interests. At the present time there is a vague feeling that the government's payment of interest on the bonds secures them, and the same would probably be true just so long as interest payments continue. In the case of the sale of the roads, however, it may be assumed that the bonds not now bearing the guarantee of the government would be backed by private guarantee only. The question of the sale of the roads is therefore an important one to the bond holders.

Only Interest Guaranteed

In the case of those issues guaranteed only as to interest payments, but not as to principal, or the reverse, the question of the government's actual responsibility in the matter arises. Whether or not the fact that the government has been paying the bond interest on certain issues for some time involves an acknowledgment of obligation as is the case in civil law is a matter that will have to be decided. The fact of the federal government paying bond interest on these issues is taken by many as a virtual guarantee both of interest and principal.

The same question arises in the case of a number of the railroad issues which bear the guarantee of some one of the provinces. When the Federal Government took over these roads it assumed all obligations held against physical property, but no specific agreement was entered into with the private endorsers. No definite announcement was made with regard to the actual responsibility to the bond holders. It was recently given out by one of the provincial treasurers as his opinion that the fact of the Dominion Government making the interest payments regularly on the bonds means virtually that the Dominion has replaced the provinces as guarantors of the railway bonds. What the effect would be of the sale of the roads, it is difficult to say.

New Brokerage House Formed in Montreal

MONTREAL. — The new Montreal stock exchange house, Jones, Newton & Heward, will open July 13. The new firm is composed of Newbold C. Jones, Frederick Newton, Brian Heward and John D. Macpherson.

Dr. Newbold Jones is a graduate of McGill of the 1902 medical class and during the war served in France with the C. A. M. C. Since the armistice, he has been in the brokerage business as office manager of the firm of Ryan, Grier & Company.

F. G. Newton for the past five years has occupied an executive position with the St. Lawrence Sugar Refineries, previous to this, he was associated with a New York firm of industrial engineers. During the war, he served with the 18th Battalion and also the Canadian Engineers. He is a son of Rev. F. G. Newton, of Sarnia, Ontario; he is a member of the Beaconsfield Golf Club, the Rotary Club and the M.A.A.

Brian Heward, a son of the late A. R. G. Heward, was educated at Lower Canada College and St. John's College, Cambridge. Since demobilization from the R. N. V. R., he has been connected with the local brokerage house of Oswald and Drinkwater. Due to the success of the Lachine Rowing Club crews, of which he is honorary coach, he is widely known in rowing circles.

John D. Macpherson, M.C., is the floor member of the new firm and gained his brokerage experience through his several years' connection with the firm of Oswald and Drinkwater. He served overseas with the 13th Battalion Royal Highlanders of Canada and is at the present time second in command of the 1st Battalion of the regiment.

GOVERNMENT WINE PROJECT

VICTORIA.—A loan of $10,000 was extended to the Growers' Wine Co. of Saanich to enable the concern to purchase loganberries from island growers to manufacture wine which will be sold in government liquor stores.

BOND MOVEMENTS OF THE WEEK

WEEK ENDING JULY 7

Bonds	Int. Rate	Due Year	Yield July 7	Range 1924 High	Range 1924 Low	Range 1925 High	Range 1925 Low	Latest Price Ask	Latest Price Bid	Latest Price High	Latest Price Low
Canada Cement....	6	1929	5.29	103½	100	103¼	101	—	102½	102½	—
Cedar Rapids......	5	1953	5.06	99¾	95	101	97	100⅜	99	99	—
Mont. Power......	4½	1932	5.10	97½	95	97½	97	—	96½	96⅝	—
Mont. Tram.......	5	1941	5.09	95½	91	98¾	93	98¼	97¼	98¼	—
Penman's.........	5	1926	6.04	99⅝	95	99	98	—	98½	99	—
Que. Rly..........	5	1939	5.51	91	80	95	89¾	—	94½	95	94¾
Sher.-Williams.....	6	1941	5.71	103	101	103½	101¼	—	103	103	—
Wayagamack......	6	1951	6.91	86	74	89¼	84¾	90	89¼	89¼	87½
Win. Elec..........	5	1935	5.59	91½	85¾	95½	92½	95½	95	95½	—
War Loan.........	5	1925	4.48	100.95	100.15	101.15	100.25	100.35	100.25	100.25	99.90
Do.	5	1931	4.56	102.40	100.60	102.65	101.00	102.45	102.35	102.40	102.15
Do.	5	1937	4.51	103.85	102.60	104.95	103.80	104.80	104.65	104.50	104.45
Victory Loan......	5½	1927	4.18	103.05	102.05	103.15	102.15	102.50	102.40	102.60	102.15
Do.	5½	1933	4.52	100.70	104.30	107.00	105.90	106.40	106.30	106.50	106.35
Do.	5½	1934	4.94	104.70	102.85	104.75	103.20	104.10	103.95	104.20	103.80
Do.	5½	1937	4.46	108.90	106.15	110.00	108.45	109.40	109.30	109.45	109.05
Do. Renewal.....	5½	1927	4.70	102.70	101.15	102.95	101.50	101.80	101.70	101.50	—
Do. "	5½	1932	4.90	103.90	102.10	104.20	103.10	103.50	103.35	103.60	103.15
Do. Refund......	5	1928	4.37	100.85	99.40	101.35	100.45	100.90	100.75	100.75	100.58
Do. "	5	1943	4.79	102.85	99.00	102.90	101.20	102.45	102.35	102.60	102.15
Do. "	4½	1944	4.70	97.15	97.00	97.35	95.10	97.05	96.95	97.20	97.10

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Municipal and Provincial Finance

OPPOSE PROPOSAL TO AMEND ALBERTA ASSESSMENT ACT

Board of Utility Commissioners to be Final Arbiters on Assessments

From Our Own Correspondent.

CALGARY.—A storm of protest has been raised by financial men and others in connection with the proposed amendments to the Provincial Assessment Act. The lead in this has been taken by Hon. R. B. Bennett, K.C., H. A. Howard, president of the Mortgage Association of Alberta, and Edmund Taylor, of the firm of Lougheed and Taylor Limited.

Section 10 of the proposed amendment is the chief section to which objection is taken. This reads as follows:

"1. Upon any application to the board (Public Utility Board of Alberta) to confirm any assessment roll, or upon any appeal, the board shall have the power to increase or decrease the assessed value of any land included in such assessment roll, whether any appeal has been taken in respect thereof or not, for the purpose of making all the assessments upon the roll sought to be confirmed proportionate and uniform.

"2. In exercising such power, the board may in its discretion have regard to the general standard or valuation for assessment of land prevailing in the province in respect of similar property and shall also have regard to the general standard of assessment upon which the assessment roll under consideration has been made, and shall make such increases or decreases without regard to the fair actual value, fair value, or any other standard of valuation set in any other act or ordinance.

"3. Notwithstanding that the statute under which the assessment roll under consideration has been prepared, provides that the assessed value shall be the fair actual value, or fair value or otherwise, the assessment value as fixed and confirmed by the board, shall be taken as the assessed value for all the purposes of the particular statute authorizing its preparation."

It is pointed out by Mr. Bennett that it would therefore be observed that appeals were no longer to be taken to the courts, but to the Board of Public Utility commissioners whose decision was to be final. This latter phase is what financial men in the West intend to fight with all their might. They say that apart from the lack of jurisdiction on the part of the legislature to deprive the Supreme Court of Canada of its powers under an act of the parliament of Canada, it was difficult to ascertain just why so important a matter as the value to be placed upon property for assessment purposes should be taken out of the jurisdiction of the local courts, and owners deprived of their ordinary rights of appeal within the province.

During the last decade or more all courts in Canada have warned assessors that as their assessment rolls fix the basis upon which debenture holders lend money, it was important that there should be a proper relation between "fair market value," or "real value" and the assessment, states Mr. Bennett. Obviously if the assessments bear no relation to either, money is being obtained from the investing public under an entirely erroneous appreciation of the facts.

It is urged that there is no good reason why there should be a discrimination between various classes of taxpayers. Owners of improvements pay their taxes in direct ratio to the actual value of those improvements, and it is argued that owners of real property should be taxed on the same basis.

In the meantime the Calgary city council, which was largely responsible for sponsoring the amendments, has approved the draft as submitted by the provincial government. The council points out that one of the advantages of the new proposals is that it would mean corporations operating throughout the province would pay each municipality on an equal basis.

In the opinion of Edmund Taylor the new amendments are nothing short of "a ridiculous proposal." He contends that municipalities have been amply protected by the system in vogue in the past and citizens were entitled to the well-tried method of appeal to the courts. "It is becoming more and more difficult to induce capital to be invested in Alberta," remarks Mr. Taylor, "and such legislation as is now suggested is another obstacle in that direction."

PAYS TAXES TO ITS OWN HOSPITAL

Although Waterloo is a partner in the ownership of the Kitchener and Waterloo Hospital, and is thus jointly responsible for all debts and deficits of the institution, the town is obliged to pay a county tax towards the support of the hospital.

ACTION AGAINST COUNCIL

Action has been threatened against the city of Port Arthur and certain city aldermen by a group of ratepayers for alleged wrongful appropriation of public funds, against the wishes of the ratepayers. The latter, led by J. J. Flanagan, demand the repayment of $28,000 to the city treasury and the cancellation of the Mount McKay and Kakabeka Railway lease. The threatened action involves members of the city council during the 1923-24 term, when a sum approximating $28,000 was passed by the council for electrifying and improving the railway in question after the by-law had been rejected by ballot of the ratepayers upon two separate occasions.

Toronto's Margin for Borrowing is $7,199,913

The city of Toronto may incur debt amounting to 12½ per cent. of the first $100,000,000 of assessment and 8 per cent. of the balance, states an extract from the annual report of the finance commissioner upon the funded debt and sinking fund of the city for 1924. This amount is limited by provincial statute, while debts incurred for certain purposes, exempted from by statute, are not taken into consideration in determining the city's borrowing margin, These total $111,353,545.

"The gross debt of the city, after deducting the above exemptions, is $62,020,675," the report continues. "The legal debt limit on the general assessment (1925) of $809,007,346 amounts to $69,220,588, so that the city has a statutory borrowing margin of $7,199,913. The estimate is based on the general assessment only. If the total assessment were used this margin would be correspondingly increased."

ELGIN CUTS TAXES

The county of Elgin is on the road to economy. The tax rate has been cut from eight to 6 6/10 mills. Last year's revenue was $248,000 and this year's expenditure will be only $204,602. The reduction of $43,398 in the estimates is due largely to cuts in the county roads estimates and the county's share in provincial road costs.

$20,000 SCHOOL GRANT

As a result of the rapid decline in the Protestant rural population of the province of Quebec, the provincial government has decided to give an annual grant of $20,000 to allow the consolidation of rural schools. The Protestant population is said to have decreased by about 17,000 during the past thirty years.

This Week's Bond Sales

KINGSTON BONDS

An issue of $137,000, five per cent., ten-year bonds of the city of Kingston, was awarded to the Canadian Bank of Commerce at a price of 100.43. The other bids were as follows:

McLeod, Young, Weir & Co.	99.90
Bell, Gouinlock & Co.	99.87
Municipal Bankers	99.80
Gairdner, Clark & Co.	99.772
Cochrane, Hay & Co.	99.73
Burgess & Co.	99.701
Goad & Co.	99.677
Dominion Securities Corp.	99.666
Murray & Co.	99.66
Wood, Gundy & Co.	99.65
MacNeill, Graham & Co.	99.617
Fry, Mills, Spence & Co.	99.616
Dyment, Anderson & Co.	99.58
Goss, Forgie & Co.	99.55
W. C. Brent	99.37
Matthews & Co.	99.17

GUELPH BOND ISSUE

An instalment issue of $235,236 city of Guelph bonds was sold to Gairdner, Clarke & Co., at a price of 102.032 which represents a yield of 5.02 per cent. The total comprised $62.314, 5½ per cents., due Dec., 1934; $5,340, 5½'s, due Dec., 1944; $92,782, 5's, due June, 1945, and $74,800, 5½'s, payable in 15 instalments. The other bids were as follows:

Dominion Bank	101.93
H. R. Bain & Co.	101.92
Fry, Mills, Spence & Co.	101.797
Dyment, Anderson & Co.	101.76
Housser, Wood & Co.	101.70
Wood, Gundy & Co.	101.70
Municipal Bankers Corp.	101.66
C. H. Burgess & Co.	101.63
Toronto Bond Exchange	101.54
Matthews & Co.	101.526
Dominion Securities Corp.	101.431
Macneill, Graham & Co.	101.37
A. E. Ames & Co.	101.31
Bell, Gouinlock & Co.	101.25
McLeod, Young, Weir & Co.	100.94

BEAMSVILLE BOND ISSUE

An issue of $14,000 five per cent. bonds of the Village of Beamsville was awarded to Housser, Wood and Company at a price of 99.31. The bonds are payable in ten equal installments. The bids were as follows:

Housser Wood & Co.	99.31
Harris McKeen	99.28
Goss, Forgie & Co.	99.16
Dyment Anderson	99.04
R. M. Bird & Co.	98.87
Gairdner Clarke	98.84
C. H. Burgess	98.82
Bank of Commerce	98.82
Bell, Gouinlock	98.77
J. L. Goad	98.76
Mackay & Mackay	98.75
Matthews & Co.	98.72
McLeod, Young & Weir	98.60
Toronto Bond Exchange	98.26
W. C. Brent	97.36

Tenders and By-laws

SASKATCHEWAN

AUTHORIZATIONS GRANTED BY THE SASKATCHEWAN GOVERNMENT BOARD

From June 21 to June 27, 1925

Schools: Delisle S.D., No. 2471, $1,050; Bjorkdale S.D., No. 3162, $700; Habsburg S.D., No. 3562, $2.700; Buffalo Lake S.D., No. 119, $1,500; Wilkinson, No. 561, $1,200; Vanscoy S.D., No. 3652, $4,000; Swift Current Trail S.D., No. 2564, $1,300; Willowbrook Village, $2,000.

Schools—Blaine Lake, $3,500; Craigmore, $3,200; Springdale, $4,300; East Mount, $1,200; Highway, $3,500; Wood Mountain, $735; Delorme, $1.600; Netterville, $1,000; Langbank, $8,500.

Wilkie East, $1,000.

Village of Turtleford, $1,000.

Saskatoon City, $9,000, Water Connections, 10 yrs., 5 p.c.; $6,000, sewer connections, 10 yrs., 5 p.c.; $10,000, water mains, 30 yrs., 5 p.c.; $3,500, water meters, 15 yrs., 5 per cent.; 25,000, light and power ext., 10 yrs., 5 p.c.; 9,000, traffic bridge, 7 yrs., 5 p.c.; $5,500 Mun. hospital, 10 yrs., 5 p.c.; $6,000, street rly. ext., 10 yrs., 5 p.c.; 5,000 water mains, 30 yrs., 5 p.c.; 19.296, concrete walks, 20 years, 5 p.c. City Clerk, M. C. Tomlinson.

Moose Jaw City—$6,257 sewer and water connections, 30 yrs, 5½ p.c.; $4,960, water mains, 30 years, 5½ per cent; $13,416, sewer and water connections, 30 yrs., 5½ p.c. City Clerk, D. Craven, Moose Jaw.

Debentures Reported Sold

Newlyn, $4,500; Abermule, $1.800; Grattan, $50,000; Virgel, $700; Mountain, $2,000; Michellton, $3,360; Beautty Village, $2,000; Nipawin, $4,000; Heavylands, $400.

CANADA'S RAPID DEVELOPMENT AS TO WATER POWER

On Capital Basis Progress Greater Than in United States

OTTAWA.—A comparison of the amount of, and progress in, water power development in Canada and the United States can only be reasonably made in terms of the amount per capita. It may appear invidious to compare ourselves with our nearest neighbor, but welfare to ascertain whether we are making satisfactory progress in any given line we must ascertain what progress is being made in that line in other countries, and in respect to power development the only country where the conditions are sufficiently similar to those in Canada to give a reasonable comparison is the United States. In making such a comparison, therefore, the object is to ascertain whether we are making good use of our own resources and opportunities.

The progress in water power development per 1,000 of the population in Canada and the United States from 1902 to 1925 shows that while the United States has made steady progress Canada has made and is making still greater progress.

The water power developed per 1,000 of the population in the two countries has stood at various dates thus:

INSTALLED TURBINE HORSE POWER

Year	United States	Canada
1902	26.0	47
1907	36.5	116
1912	51.0	198
1921	86.0	305
1924	95.0	350

This does not imply that Canada has been more enterprising or active than the United States nor that she uses more power per capita—in total power used per capita, excluding steam railroads, the United States appears to be slightly ahead of Canada; the main reason of Canada's preponderance in water power development per capita as shown on the diagram is that she possesses ample water power in and near her great eastern centres of population and manufacturing industry, whereas in the similar area of the United States the water power resources are so limited that it is estimated in the United States Government's recent Super Power Survey Report that those resources will never be able to supply more than 25 per cent. of the total power demand; the centre of the United States water power resources is about 1,200 miles west of the present eastern centre of manufactures.

Water and Fuel Power

In Canada, of the total power in use excluding steam railroads, about 70 per cent. is water power and 30 per cent. fuel power. In the United States this position is just about reversed.

As regards public utility plants, the statistics published by the United States geological survey show that from 1919 to 1923 the proportion of output furnished by water power fell steadily from 37.5 per cent. to 34.8 per cent.; in Canada over the same period it rose from 97 per cent. to 98 per cent., and the 2 per cent. lacking here represents a few small areas where local water power has not been available and a few steam plants elsewhere that are maintained as reserve or stand-by to water power.

Use of Water Power

That Canada is making good use of her water power resources is shown by the records of the Dominion Water Power and Reclamation Branch, Department of the Interior. During the past 10 years the developed water power has increased from 1,936,000 horsepower to 3,569,000 horsepower or nearly 85 per cent. and that the water power developed per 1,000 of the population has increased from 252 horsepower to 387, the last point well illustrating the fact that the use of power increases much more rapidly than the population.

AUTO REGISTRATIONS INCREASE 11 P. C.

But Total Number of Motor Cars Produced in Canada Last Year Dropped

An increase in the number of automomiles used in Canada, a more extensive use of the closed car, along with a reduction in output, are the outstanding features of the automobile industry in Canada during 1924. The decline in output came as something of a surprise in view of the increase in the use of the motor car and the gradual improvement in the highways of the Dominion.

During the year the eleven automobile factories produced 98,245 passenger cars, 18,043 trucks, and 16,172 chassis making a total of 123,460 cars with an aggregate selling value of $88,240,418. The previous year's record was 147,202 cars valued at $96,614,176, and the 1924 figure represents a decline of 10 per cent. According to information made public by the Dominion Bureau of Statistics the amount of capital invested in the industry was $60,500,000 ,and the total of salaries and wages paid was more than $14,200,000. Although production fell off somewhat, the average number of wage earners was slightly higher than that of the previous year.

An interesting feature of the automobile industry in Canada is that the closed car is provin more valuable as a year round car, and the sales of closed car is proving more valuable While the output of cars dropped by 15 per cent. to 67,204, the production of closed cars increased from 27,209 to 41,041. Despite the large scale use of the motor truck for cross country freight hauls, the total output of trucks was marginally smaller than for the year previous.

Registrations Show Increase

Although the production figures for automobiles dropped off last year, this does not by any means indicate a cutting down in the use of cars. The reverse is the truth. A huge volume of work has been undertaken on the roads of the various provinces not only in the extension, of concrete surfaces, but in the general improvement of all surfaced roads. The province of Ontario now stands first among the provinces and states in the percentage of roads surfaced, although the mileage of concrete roads is exceeded by some of the states. Most of the other provinces have also made material progress in highway construction during the past two years. This has had its effect upon the use of the automobile, and last year's registrations of passenger cars numbered 573,975, of trucks 55.572, and of other motor vehicles, 22,574, making a grand total of 652,121 in comparison with 586,850 in 1923, an increase of 65,271, or more than 11 per cent. in a single year.

Wide Assessment Powers For Alberta Utilities Board

CALGARY.—Much speculation has been caused in western financial circles regarding a new bill which is now before the provincial house, which if passed would give the Public Utility Board very considerable powers indeed in fixing assessments. The proposed bill is the outcome of conferences initiated by the city of Calgary between Premier Greenfield and other members of his cabinet and officials of Alberta cities and towns. The object of the measure is to arrive at equalized methods of assessments of land for tax purposes in towns and cities in the province.

Copies of the draft bill just circulated, seem to show, however, that the proposals go considerably beyond those voiced at a recent conference. For instance, under one of the sections the Public Utility Board is given power not only to fix assessments on appeals made to it from boards of revisions in towns, cities and villages, but to arbitrarily change and fix all assessments in the province regardless whether appealed or not.

Financial men in the west have not yet studied this proposed bill sufficiently to express an opinion. In the meantime it is receiving their careful consideration.

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Due May 1st, 1945

This Corporation serves light and power to 30 municipalities in the Laurentian district under generally exclusive franchises. The territory served has an area of 3000 square miles, is prosperous, and has a present population of approximately 60,000, which is showing steady increase. We recommend these bonds for investment and will forward descriptive circular upon request.

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Sir John Willison, K.B., LL.D., Vice-President

Government and Municipal Bonds

We will be glad to furnish particulars and offerings upon request.

Gairdner, Clarke & Co.
312 Bay Street, Toronto.

Pepall Charges Are Outlined in Court

On being brought back from Los Angeles on charges preferred against him, in connection with Ontario government bond scandals, Andrew H. Pepall appeared in the police court at Toronto and heard a series of six charges read. Extradition was not based on all six charges, but, it is understood, on charges of offering a bribe, of theft and of false pretenses. The various charges may be summarized as follows:

1. Theft of money and securities to value of $368,000.
2. Obtaining by false pretenses money and securities to the value of $381,000.
3. Paying secret commission of $150,000 to Peter Smith, then provincial treasurer.
4. Receiving or retaining money and valuables worth $381,000, well knowing the same to have been obtained by deceit or falsehood or other fraudulent means.
5. Receiving bribes from Aemilius Jarvis, Sr., to influence him in his duties as provincial agent.
6. Fraud or breach of trust in accepting bribes while acting as agent of province.

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WEEKLY RECORD OF GOVERNMENT AND MUNICIPAL BOND SALES.

Place	Date	Purpose	Sold To	Rate	Maturity	Amount	Price	Yield
MUNICIPAL								
Kingston	July		Bank of Commerce	5%	1935	$137.000	100.43	....
Guelph	July		Gairdner, Clarke & Co.	5 & 5½%	Serial	235,236	102.032	5.02
Beamsville	July		Housser, Wood & Company	5%	1935	14.000	.....	....
CORPORATION								
Fraser Companies, Ltd.	July		Royal Securities and Wood, Gundy	6%	....	2,500,000	98½	6⅛

Insurance for Buyer and Seller

C.F.U.A. WILL COVER CANADA BY INVESTIGATIONS

Expands Operations and Co-operates With Non-Tariff Companies

MONTREAL.—Canadian Fire Underwriters' Association has decided to extend its investigation department to cover the entire Dominion of Canada. Also, the association will co-operate with those insurance companies which are not members of the association by investigating and probing the causes of suspicious fires. With more than two hundred companies, therefore, working in harmony with the Underwriters' Association, every fire occurring in this country will be subject to investigation.

Two years ago the fire investigation department was started with jurisdiction over the provinces of Quebec and Ontario. The work accomplished under the direction of H. Rethoret was so satisfactory that it was decided that all provinces will be protected as soon as the organization is perfected, and fire reports from more than two hundred insurance companies will flow into the probe headquarters at Montreal. The decision to extend the activities of the association was reached at the convention of underwriters held at Murray Bay, Quebec, recently. First, the policy regarding the department itself was laid down, then it was resolved that insurance companies which are not members of the organization shall be permitted to participate in and co-operate with the investigators.

Staff Will be Increased

Steps are now being taken to increase the staff of investigators and to establish between twelve and fifteen districts in the Dominion, each of which will be served by a detective. As each fire occurs, a report will be sent to the department in Montreal, and such outbreaks as appear suspicious will be thoroughly probed in conjunction with the local authorities.

On behalf of a hundred and thirty-eight fire insurance companies, last year, 308 fires in the provinces of Quebec and Ontario were investigated and in some cases, convictions for arson were secured. For the future, reports will be received from more than two hundred companies and it is thought probable that the result so obtained should prove effective in reducing the number of fires.

In addition to probing fires, the investigation department acts as a clearing house for information relative to the incendiarism all over the country, and the authorities are in the habit of using its files, which consist of many thousands of entries.

NORTHERN CONTROL RETURNS TO LONDON

C. R. Somerville Heads Board Which Includes Leading London Business Men

LONDON.—The Northern Life Assurance Company, reorganized with a strong and vigorous set of officers and directors, will remain in London. Following the troubles which beset the various Purdom interests some years ago, control of the Northern Life passed into the hands of Gairdner, Clarke & Company of Toronto, and the concern has now reverted to new but well-known financiers. The board of directors now consists of men who have made outstanding personal successes, and the progress of the company under their management is assured.

The new officers and directors are as follows: President, C. R. Somerville; vice-president, R. G. Ivey; directors, Hon. Charles S. Hyman, A. T. Little, Ray Lawson, J. E. McConnell, W. E. Robinson, James Granger and John S. Moore.

Mr. Somerville, in discussing the reorganization, stated that the company and its policyholders were to be congratulated on the strength of the new directorate and the high calibre of all those associated with the concern. The Northern Life, he added, is particularly fortunate in securing Hon. C. S. Hyman, Arthur T. Little and John S. Moore as directors representing the policyholders. All three are men of unquestioned integrity, and their many years' experience and training on the board of the London and Western Trusts Company in handling trust funds will be of inestimable value.

R. G. Ivey, the new vice-president is a successful local barrister, head of the law firm of Elliott, Ivey & Gilanders, and vice-president of the London Street Railway; Ray Lawson is president of Lawson & Jones large printing and lithographing house with branches in principal Canadian cities; J. E. McConnell, president of McConnell and Fergusson, Ltd., W. E. Robinson, well-known financier, and James Granger, president of MacMahon & Granger, leading wholesale drygoods firm are others on the directorate who have made notable successes in their special spheres and should greatly strengthen the Northern Life, with which they are now so intimately identified.

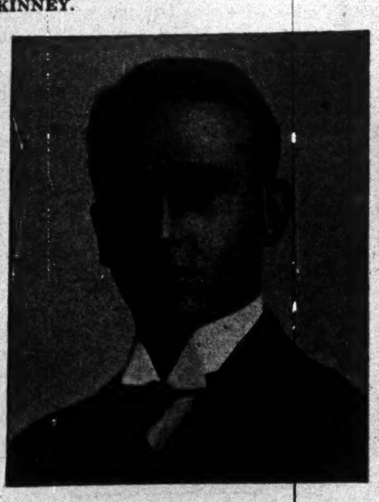
Non-Medical Insurance Up to Five Thousand Now

HARTFORD.—Applications for insurance without medical examination in amounts not exceeding $5,000 are now being entertained by the Aetna Life Insurance Co. This announcement was made by Vice-president Kendrick A. Luther. Non-medical applications will be considered for persons up to and including the age of 55, and the plan will apply to women as well as to men. The company will exercise the right to call for examination where the information at the home office seems to indicate that such procedure is necessary.

"Repeat Orders" Play Big Part in Swelling Bastedo's Sales Totals

Started as Cashier in Canada Life Agency; Keeps Confidence of His Clients; Warns Against Agent Talking Himself Out of Application

By E. H. McKINNEY.



NORMAN BASTEDO

When Norman Bastedo entered the office of the Canada Life Assurance Company it was with a fixed determination that he would have nothing to do with selling policies. That was in 1899 and Bastedo was a shy young man with no evidence whatever of the aggressiveness commonly thought necessary to make a successful salesman. Insurance, too, was in its infancy so far as Canada was concerned. While a number of companies were in the field, too many of the salesmen were men who had failed in other lines of endeavor. Bastedo was the last man who wanted to be placed in such a class. Yet the experience gained in the company's office steadily opened up to him the possibilities in field work and paved the way for a change in his work. As a result he became a salesman—to-day one of the most successful in the Canada Life or any other company in Canada. In fact his lack of so-called outward aggressiveness has possibly become his greatest asset. His quiet unassuming manner builds a feeling of confidence among those with whom he comes in contact, which induces them to unfold their problems to him, enabling him to point out the needs for insurance in each case.

Learned to Meet Public

His change from office to field work did not take place suddenly. Rather was it the natural outcome of his work as cashier. In this position he worked on the books and also met many people who came to the counter—applicants, policyholders, beneficiaries, and enquirers. In attending to their wants he learned their peculiar problems and difficulties. One day he would be called on to arrange an extension of time on a premium; another he would change a beneficiary under an existing policy; at another time he would aid in drawing a will.

These gave Bastedo two valuable assets—experience in meeting the public and a practical knowledge of all the details in placing policies and fitting them to the needs of the insured. As time passed he realized the big opportunity for him lay in field work rather than the office. With this in view he talked with policyholders who called at the office, frequently increasing their insurance and securing leads to new prospects. In this way he placed a considerable volume of business while fulfilling his office duties. Finally his remuneration for the former exceeded his salary as cashier and in 1908 he resigned from the latter position to devote all his time to selling.

At that time H. F. Cox was manager of the Eastern Ontario branch of the Canada Life and Bastedo's business came under this territory. Had he been so inclined, ample opportunity would have been given him to assume purely organizing duties. However, he realized what many embryo field men fail to see—that there is something specially satisfying to a man in giving personal service to an ever-growing clientele, with the highest possible financial rewards that could be desired. So he started as a personal producer and has largely continued as such, although he now has his own agency in Toronto with a number of associates.

He had already become a big producer before the war years and in 1916, when the "Two Hundred Thousand Dollar Club of the Canada Life" was established, he qualified for membership, which he has retained ever since. He was second vice-president of the club in 1918, vice-president in 1919, and in 1920, when it was changed to the "Quarter Mil-

(Continued on page 15)

The Record of Fire Losses in Canada

Place	Property	Date	Loss	Insurance	Cause
Prince Edward Island					
Elmsdale	Wm. McPherson, barns	June 17	total	......	unknown
Nova Scotia					
Glace Bay	Pump House	June 20	total	......	unknown
Sydney	Colliery Bldgs.	June 28	150,000	......	unknown
MacLeod's Crossing Reserve	J. E. MacLean, residence	June 15	total	......	......
Glace Bay	Gittleson res.	June 15	total	......	......
Sydney	San Pedro Hotel	July 2	total	......	......
Quesnel	Buildings	June 27	100,000	......	amp
New Brunswick					
Fredericton	R. T. Baird, barn and horses	June 17	1,000	covered	unknown
St. Stephen	Doull & Co., lumber mill	June 20	35,000	partial	......
Petticodiac	Buildings	June 27	12,000	......	......
Zionville	J. Fullerton, barn	June 26	2,500	1,000	......
Shediac	A. J. Leger, res. & garage	June 15	3,000	none	......
Moncton	L'Evangeline bldg. & cont.	June 23	10,000	partial	......
Moncton	G. Cormier, res.	June 20	4,000	covered	explosion
Quebec					
Lac Frontier	English Lake Lbr. Co., mill	June 11	total	40,000	unknown
Huntingville	R. M. Hunting, barn	June 18	5,000	......	unknown
St.-Thomas-de-Joliette	D. Fisette	June 26	2,500	1,000	unknown
Quebec	La Salle Berthelot, store	June 20	total	......	unknown
Ange Gardien de Rouville	H. Mercure, barn and stables	June 26	3,000	partial	......
Montreal	J. Rudnikoff, res.	June 19	consider'ble	......	elec. wire
Sherbrooke	T. Lefebvre, res.	June 11	total	......	unknown
Chicoutimi	P. Riverin, bldg.	June 15	7,000	......	......
St. Sylvere	14 Stores and Houses	June 30	30,000	10,000	unknown
Pierreville	R. Shooner, barn	June 17	1,500	partial	......
Shawinigan Falls	J. Bouvette, res.	June 18	consider'ble	......	......
Stoke Centre	T. Belanger, res.	June 20	total	......	unknown
Rimouski	A. Lavoie garage & bldg.	June 17	heavy	......	......
Montreal	Sherbrooke St. res.	June 21	consider'ble	......	unknown
Montreal	Fried Potatoes & Pop Corn Co., shop	June 21	heavy	......	explosion
Montreal	M. W. Gagnon, garages	June 24	heavy	......	unknown
Magog	M. W. Catchpart, barn & cont.	June 26	heavy	......	......
Quebec	J. Bisson, barn and animals	June 26	total	......	......
Cap-de-la-Madeleine	B. Mongrave, res.	June 27	heavy	partial	......
Quebec	M. Rondeau, store	June 25	1000	......	......
Quebec	G. Rousseau, res.	June 22	6,000	......	explosion
Ontario					
Dundas	Robshaw Blanket Co., bldg.	June 23	2,500	partial	unknown
Ft. William	C. H. Lundgren res.	June 17	consider'ble	partial	furnace
Aylmer	J. Scott, res. & Barns	June 20	7,000	small	unknown
Little Current	Mansion House barn	June 20	6,000	partial	......
Kitchener	D. F. Fries, barn	June 20	total	......	unknown
Mimico	F. Gilson, res.	June 28	3,000	......	unknown
New Toronto	J. Bajis, res.	June 26	5,000	covered	unknown
Windsor	E. H. Grandmaison, store	June 20	500	covered	......
Simcoe	S. F. Beckett, res.	June 21	4,000	2,000	unknown
Gravenhurst	Crushed Granite Co.	June 29	20,000	......	......
Toronto	R. Paine, garage and car	June 28	550	......	unknown
Toronto	W. N. Stanley, store	July 1	3,000	......	unknown
Tara	Block of stores	June 30	100,000	......	......
Toronto	Mrs. N. Orr, res.	June 30	500	......	chimney
Hamilton	Regent Tailors, store	June 30	5,000	......	......
Orangeville	A. Hislop, res.	June 18	heavy	......	unknown
Norwood	H. G. Buck & Son, boiler room	June 25	consider'ble	......	unknown
Aultsville	W. Edwards, factory	June 24	total	......	spark
Kingston	C. Goodrich, barn	June 18	500	......	matches
Woodburn	C. Walker, cheese factory	June 17	10,000	6,000	unknown
Richmond	J. Scott, barn and res.	June 23	total	......	......
Penetang	McCoy Dusome, res.	June 18	total	......	......
Timmins	G. D. D'Angelo, res.	June 18	800	2,000	cig. stub
Dundas	H. Whittle	June 26	1.800	partial	......
Belleville	T. Tobe, res.	June 25	600	covered	elec. wire
Ottawa	H. Lapierre, P. Boyer, C. Lamoureux, garages	June 26	500	......	......
Denfield	J. Saunders, W. Rosser, res.	July 3	15,000	......	matches
Hamilton	L. Minden, store	July 4	20,000	partial	......
London	Dom. Rubber Co., warehouse	July 3	consider'ble	......	......
Grimsby	Growers' Storage Co., plant	June 27	heavy	......	......
Saskatchewan					
Canora	Fainstein, barns	June 17	total	......	unknown
Alberta					
Hanna	L. de Jurowski, res.	June 17	total	5,500	unknown
Lethbridge	Exhibition bldg.	June 25	50,000	25,000	unknown
British Columbia					
New Westminster	Mrs. C. E. Lewis, res., garage and car	June 18	consider'ble	partial	unknown
Clayoquot	Catholic Church & 23 houses	June 26	total	......	......
Vancouver	3 buildings	June 18	50,000	......	unknown
Golden	Columbia River Lbr. Co., mill	June 18	80,000	covered	unknown

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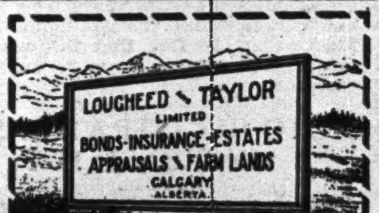

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YOU can provide her with a college education by means of an Endowment Policy.
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Which Fully Describes the Improved Endowment Plan.

POST-Scripts

FOR years, most of us on this side of the water have been told that Paris, France, was a place where we most particularly must "watch our step." We were told that in the event of our being knocked down we would probably be fined or jailed for being in the way, and now comes from Paris a new angle to this phase of pedestrianism.

A Paris judge has declared that a police regulation again jay walking is illegal. He said that if the police had the right to regulate pedestrian traffic, they might also require those who walk to carry a light or to proceed at stipulated speeds.

THERE is a Canadian doctor who spent a summer in Northwestern Quebec before the war, recovering some of the weight he had lost in a few strenuous college years. While in the north he had an opportunity to try his hand at medicine by looking after a poor Indian family, living in a log cabin near Harricana, now Amos. The Indian was very grateful but had no money to pay the doctor for his attendance. Instead he gave the doctor a few chunks of high grade ore that he had taken off a claim he had staked forty or fifty miles away. He offered to transfer his claim to the doctor. The doctor, not knowing what good a gold mining claim might be to him, laughed and told the Indian to keep his claims. The other day the doctor, out of curiosity, made a few inquiries to find out where the claims were. He found that they were in the centre of Rouyn and alongside the Noranda mine, the biggest property in that field.

SOME startling figures have been presented as to the present-day value of the few cents found in a child's bank in ancient Egypt, adding compound interest. The total looks like something that only an astronomer could appreciate. Something that the average mind can better grasp in the way of big returns from a small investment (plus time) is the case of an English youth's purchase of £30 worth of postage stamps in 1864 and its present market valuation of £10,000. A titled lady having occasion to turn out an attic of her town mansion in Mayfair has just discovered the cache of treasures.

An extraordinary feature is that the find consists of scarce old stamps in original and complete sheets. The schoolboy, grandfather of the present holder of a distinguished title, sent remittances of from £1 to £5 to colonial and foreign postmasters in 1863 and 1864 asking to be supplied with stamps. The postmaster of Ceylon sent two sheets of the rare ½d. lilac stamp, 240 stamps in all; from Queensland came a sheet of the 1d. orange vermilion, and large parts of sheets of the 2d., 3d. and 6d. stamps of the early and beautiful Queen's head types. Similarly sheets were received from British Columbia, the Ionian Islands, Western Australia and from the old German postal monopoly of Thurn and Taxis.

"REPEAT ORDERS" PLAY BIG PART IN SWELLING THE SALES

(Continued from page 14)

lion Club," his record as leading producer for the year placed him in the president's chair.

Many "Repeat Orders"

In his early years in the field Bastedo had as many difficulties to overcome as any salesman. Working largely among strangers, only persistent effort and consistent care to present all angles of his case in a fair and forceful light carried him through. However in time he began to reap the rewards for the time he spent in helping his policyholders, often beyond any limits they could reasonably expect and at a costly sacrifice of his own interests. His policyholders frequently increased their insurance with him and opened the door for him to place policies on the lives of friends and associates. "Repeat orders," as it were, played a big part in the swelling tide of his production. An example of this is a well known Toronto business man who bought his first policy for $25,000 in 1912. In 1917 Bastedo placed another $25,000 policy on his life and in 1924 two more for $25,000 each were added.

In commenting on his work a leading Toronto merchant, whose life insurance is totalled in hundreds of thousands, says that he noticed in Bastedo an ability to discern the proper time to stop talking. When he called at the merchant's office, little time was wasted in getting to the vital points in the prospect's affairs which he wanted to discuss. His comments showed that he had previously thought out the problems of the prospective buyer with great care. As an evidence of his unvarying integrity the merchant points to an incident when he applied for insurance through both Bastedo and another salesman. Owing to a temporary disability the applications were rejected at the time. The other salesman talked to others about it so that the applicant heard of it. Naturally no further business was done with him. Not so Bastedo. He kept the negotiations secret, had the applicant re-examined at a later date and placed policies for the entire amount contemplated.

Know Prospect's Name

Bastedo counsels salesmen that they should be well groomed, bright and cheerful at all times. He says that a prospect list should be made up, preferably through newspapers, trade papers, etc., and then those listed in it should be seen He stresses the value of making a good impression on the first interview, one factor being to greet a prospect by name. Of the interview itself he says:

"Always talk amounts. Keep the amount of insurance your prospect should have firmly established in his mind. Try to create a desire for that amount. If you have quoted an amount that you know he can afford to buy you need not worry about the premium, once he wants the insurance.

"Never use the word 'cost' in connection with the premium. There is no such thing as cost in life insurance. Life insurance is a saving and an investment.

"Talk generally about life insurance and not right at your prospect personally. If you go after a man too hard at the start he will immediately get on the defensive. Lead along but do not force. Forced business does not stick.

"A good many men in this business seem to think it is their duty at an interview to do all the talking. When you call on a stranger if you can get to know something of what is in his mind you have a better chance of preparing an attractive proposition. Thousands of life insurance men talk themselves out of getting applications. Let the prospect talk and every chance you get touch him on a weak spot. Try to say the right thing at the right time and you will get further ahead. Don't inflict your own ideas on the prospect.

"Every man who needs insurance and has the money to buy it is a prospect. When you have made up your mind that a man really should have more insurance, then you have a prospect.

"In calling upon a new prospect go straight to the point and state your business immediately, — that you are from a life insurance company and want to have a chat with him about life insurance.

"The chances are that he will tell you he does not need any. You have now to rapidly size him up and estimate what you think he should carry. The average man making between $4,000 and $5,000 a year should have at least $25,000 life insurance. When the prospect says he is not interested say, 'If you do not carry so and so, I would like to talk with you.' In most cases the amount you mention will be a good deal higher than he has actually got.

"Try to secure all the information you can about him, get permission to call back at some later date and then get out as fast as you can. If you will only let the prospect talk he will unwittingly give you the very information you want to know.

Think Over Problem

"Quite often good producers close on the first interview but my experience has been that I have not as a rule been able to do this. I like to think over each case carefully and go back with what I feel is the proposition best suited to its requirements.

"You cannot pay too much attention to your first call on a man. The ability to correctly size up a prospect is a great asset. The first call is most important to you for you then either make a good impression on your prospect or do not. If you do not make a good impression at first it is unlikely that you will do so later on."

Suggests Examination

That Bastedo is not a slave to the dictum of getting a signature on the dotted line is indicated by his advice to those selling big policies to responsible men. He says:

"This may not be good advice in all cases but when dealing with responsible or prominent men I always have them examined first and get the application later. I do not ask the prospect to sign an application before the examination. After talking to this class of man for half an hour or so about life insurance, making an appointment for medical examination is the most graceful way of ending the interview. An application does not bind a man and if a man will go back on his word he has not been thoroughly sold and does not really want the insurance."

The enviable record of Bastedo lends weight to these words of advice, especially among those who have watched the outstanding success he has had in building a big business among hundreds of satisfied policyholders, with a lapse rate so low as to be the envy of anyone.

Ontario Shows Fire Loss Reduction for Year 1924

In 1924 the fire waste in Ontario was substantially less, both in respect of the number of fires and of the aggregate loss, than in the preceding year, according to the report of E. P. Heaton, fire marshal.

The comparative figures are:

Year	No. of Fires	Loss	Insurance Loss	Loss Not covered by Insurance
1924	9,973	$16,312,435	$13,161,588	$3,150,847
1923	10,941	18,344,587	14,525,263	3,819,324
Decrease	968	$2,032,152	$1,363,675	$ 668,477

The proportion of the fire waste borne by the insurance companies remains at 80 per cent., the same as 1923, but in the four largest cities the proportion was 88 per cent., leaving 76 per cent. applicable as the proportion in the rest of the province.

The particular fact calling for comment is that, notwithstanding the growth of the province in population and material wealth, the record for 1924 is only slightly in excess of what it was in 1918, and this may be taken as an evidence of the growing appreciation of the people in the direction of carefulness and conservation.

Lightning Rods Effective When Properly Installed

As a result of the regulations of the Lightning Rod Act which became operative in January, 1922, E. P. Heaton, fire marshal for Ontario, reports that about five hundred agents have been licensed annually, and 15,035 protective systems have been installed for which the department has received certificates. As the result there has been an improvement of 73 per cent. in the work done by lightning rod agents in 1924 over that of 1922. The highest average of efficiency in 1922 was 32 per cent., whereas the highest average for 1924 installations increased to 69½ per cent. Figures are given to show that a considerably larger percentage of the lightning fires occurred where lightning rods had been installed previous to the period in which the Lightning Rod Act became operative.

DOMINION LIFE'S RECORD

The Dominion Life reports that all previous records as to amount of assurance written were broken in June with a total of $2,288,000, being an increase of 30 per cent. over the company's former largest month. Applications for new assurance for the first six months of 1925 totalled nearly $10,000,000 as compared with $15,000,000 for the whole of 1924.

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Department of Colonization and Development

A Bureau of Information is conducted in connection with the Canadian National Railways Colonization and Development Department, the extensive facilities of which are at the service of all requiring information concerning

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Bureau of Canadian Information

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Department Colonization and Development.
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July 1st, 1925.

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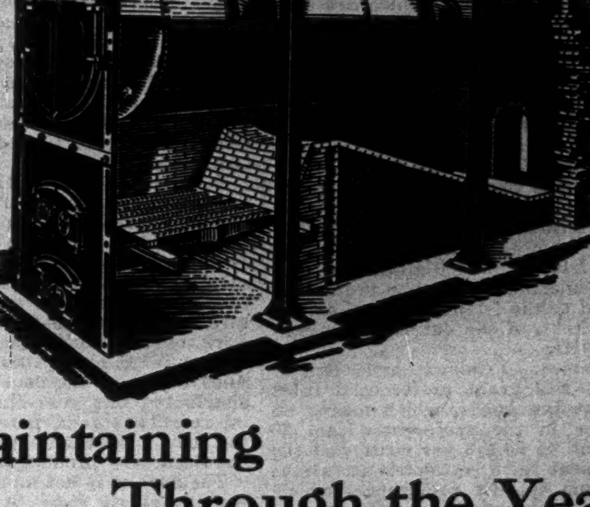

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CANADA GETTING MORE OF BUSINESS WITH THE INDIES

Treaty Signed at Ottawa This Week Should Bring Benefits

From Our Own Correspondent.

OTTAWA.—Canadian traders have considerable ground for optimism in the struggle which they are waging with their United States rivals for the markets of the West Indies. The present treaty signed this week at Ottawa is just one stage in this contest, and up to the present our exporters have more than held their own.

The first trade agreement between Canada and the West Indies was made twelve years ago. The year before that convention was negotiated the United States had 37.2 per cent. of the Market in the British West Indies; and Canada had only 8.6 per cent. After the operation of preferential tariffs for some eleven years the Canadian exporter was doing 17.8 per cent. of the business in the West Indies, while his United States competitor was controlling only 31.3 per cent.

The battle has not been an easy one, and it has not always moved in one direction. For a time it looked as if the American producer was going to get control of the greater part of the trade of the West Indian Colonies, and then it appeared as if the United Kingdom was going to be driven back to a minor place in the field. More recently, however, not only has Canada increased her sales in the West Indies, but the British exporter too has been adding to his share of the business done.

A comparison of the relative positions by Canada and the United States in pre-treaty days has already been given. At that stage the United Kingdom accounted for 38.6 per cent. of the trade, having a slightly larger share of it than the United States. In 1920, however, when the first treaty had been seven years in operation, the American share had gone up to 45.6 per cent., while that of the Britisher had fallen off to 29 per cent. Even though Canada had increased her share to 13.9 per cent., the combined share of the Dominion and the United Kingdom was some four per cent. less, and the American proportion over eight per cent. more.

Thus during the life of the first treaty the battle had gone in favor of the American merchants, though the Canadian traders too had strengthened their position. At this point of development, on the other hand, there was a change and the British and Canadian traders both pushed their wares and recaptured the market from the American exporter. In this last period of about four years the share of the West Indian market held by United States products went down from 45.6 to 31.3 per cent., while the share of Canada went up from 13.9 to 17.8 per cent., and that of the United Kingdom from 29 to 34.9 per cent.

On the other side of the shield—the extent to which these three different countries provide a market for the West Indies—there has been a somewhat similar development. Before the treaty days the British Colonies in the Carribean sent 24.3 per cent. of their products to Britain, 36.1 per cent. to the United States and 21.9 per cent. to Canada. According to the latest returns—which are contained in a report prepared by the Dominion bureau of statistics in connection with the recent treaty negotiations—the United Kingdom took 34.6 per cent. of that produce, the United States 24.4 and Canada 27.2 per cent.

Conditions of the Treaty

Under the provisions of the treaty very substantial increases in the preferential rates of duty on goods imported from Canada are granted by those Islands; and Canada, on her part, undertakes that the preference granted to the Islands will not exceed 50 per cent. of the duties in the general tariff.

Barbados, Trinidad and British Guiana will grant preferential rates to Canadian goods, which means an increase in the preference from 50 per cent. to 66 2-3 per cent., and the agreement also establishes various minimum specific preferences which, on the basis of the tariffs now in force, are in most cases more favorable than even the 66 2-3 per cent. On most of the commodities in question Jamaica undertakes to increase her preference from 25 per cent. to 50 per cent. of the general tariff.

A tariff summary was issued by the Department of Finance comparing the present and the proposed preferences in the four colonies already mentioned on the goods for which the new tariff advantages have been provided. The Canadian commodities appearing in this summary are:

Flour, lard, butter, cheese, condensed milk, fish, apples, cement, boots and shoes, prepared cocoa, confectionery, cordage, lumber and potatoes.

Old Bonds Spring Up to Block Scarboro Deal

Bondholders of Old Toronto Park Co., have halted the sale of Scarboro Beach Park by the liquidator of Toronto Railway. About 12 years ago Scarboro Securities bought the property, but 8 of the bondholders were not represented. The bondholders are now making a claim and will not accept $300 for their $1,000 bond. Provident Investment Co. has been negotiating purchase of the property, but the court has ruled that the bondholders have made a prima facie case of holding an interest, which prevents the passing of title free of any lien.

An appeal made by the Fort Frances Pulp and Paper Co. in an action brought by the town of Fort Frances for taxes has been dismissed by the First Divisional Court.

Vancouver's Visitors Are Making the City Wealthy

In Race with Seattle for Commercial Pre-eminence in Pacific —Northwest Canada's Evergreen Western Gateway City Has Great Advantages

By FLOYD S. CHALMERS.

VANCOUVER.—The other morning I sat in a restaurant here and a couple of dozen rangy American men and women filed in and filled up half the tables. Then they started to sing; the song was a swinging, challenging expression of state egoism, something like this, "Oh, we're from I-O-Way; that's where the tall corn grows." After a couple of verses of such pleasantly immodest announcement of their domiciliary pride, they proceeded to ask the blessing and then began to wade into breakfast.

Now, anywhere else in Canada such a blatant exhibition of home-town consciousness before breakfast would have rubbed against the grain of most of the Canadians present. Canadians have enough of the North American instinct in them to want to boast about their country and themselves but also have enough of the British instinct in them to be backward about doing it. In Vancouver, though, it sounded very natural. Vancouver people make a business of talking about Vancouver and its wonders. They have talked so much about Vancouver to outsiders that they have come to worship religiously all the glories of their community. Selling Vancouver to the world has become the daily work of each of the city's inhabitants and in selling the world they have sold themselves on their city.

It's a Golden Horn

The horn that Vancouverites have tooted has proven to be a corpucopia that has poured millions of golden dollars over the city. Last year they say Vancouver got $30,000,000 from American tourists, much of which was spent in the city's shops. It is easy to believe that. Early in July when Vancouver held a big international celebration there were upwards of 30,000 visitors in the city. They mobbed the hotels and formed queues to get meals; they poured into amusement houses, lined the streets and parks with automobiles and spent money readily when they found out that in Canada they could buy a good many lines of merchandise a quarter or a third below prices in their home towns. There used to be a time when tourists bought Indian curios, totem poles, postcards, ivory picture frames, burnt leather goods, etc., exclusively. They spent a few dollars on junk of one kind and another, took it home and threw it in the garbage pail, all a bit furtively and sheepishly lest their neighbors should see how they had wasted their money. Now, thanks to the aggressive selling of the merchants, they buy English woollen goods, French gowns and lingerie, Czecho-Slovakian and Italian glass ware, English china and pottery, Canadian hosiery and underwear, imported raincoats, etc. Where they spent $5 they now spend $100. Nearly every store window and every daily advertisement blazons forth the information that American tourists are allowed to carry home $100 of Canadian goods without paying duty. And when the Americans see what they can buy they usually go the limit and spend a hundred for each member of the party. The money is wisely spent, too, for they can save money by buying many lines in Canada.

Informing the Tourists

In Vancouver, they have gone further than anywhere else in Canada in taking advantage of these two circumstances: that many lines of merchandise are cheaper in Canada than across the line and that $100 of goods may be taken into the United States duty free.

To give the lead to the merchants the Greater Vancouver Publicity Bureau has published a booklet advising tourists what to buy in the city and explaining where and why they can save money and also calling their attention to the duty exemption feature. This is the first educational work of this kind that I have run across in Canada. Something like 8,000 copies of the booklet are being distributed this year through tourist information stands, hotels, shops and the mail. Merchants tell me that it has been very productive of business.

The booklet is not an advertisement for any single store; it mentions no shops but merely gives a general review of the type of exclusive merchandise obtainable in Vancouver.

That booklet is only one of the many features of tourist work that is bringing thousands to Vancouver every year.

Vancouver's Fine Location

Of course Vancouver is fortunately situated. It has all the things needed to attract visitors. It has a charming climate, not too hot and not too cold. When the mercury climbs up to what would be a moderate summer temperature in Toronto or Montreal, Vancouver people get all excited and begin to complain about the terrible heat. It has scenery that staggers the imagination. There are trees as tall as sky scrapers, this being about the only standard of height available to Easterners. It has mountains with snow-capped peaks just about on the city limits. It has deep, cavernous gulches, with turbulent streams that can be reached in an hour from any of the hotels. It has salt water bathing and fresh water bathing. It has fine residential areas. It has all the romance of a sea port and all the peace of a summer resort.

The geographical location of Vancouver helps it, too, in getting visitors. It is the western terminus of both of Canada's transcontinental railways. (Prince Rupert will object to this statement.) Especially through the Canadian Pacific Rockies thousands of tourists and business people pour every summer. They go from Chicago to Seattle, Portland and even San Fransisco through the Canadian Rockies and when they land up in Vancouver and get a glimpse of the town they stay a few days there. Vancouver is a junction point on the shortest route from Europe to the Orient and in that way too it gets its share of passers-through. And finally Vancouver is part of the Pacific Northwest. Thousands of dollars have been spent in the past few years by the cities of the Pacific Northwest and by the railways running into the Pacific Northwest to tell people all over the world about the wonderful climate of this country. Seattle, Spokane, Tacoma, Rainier National Park, Glacier National Park, Rocky Mountain National Park, Vancouver Island and other beauty spots draw thousands and when they come to any of these places they usually come on to Vancouver.

Got Business by Going After It

Vancouver had all these advantages to start with. But Vancouver told folks about them and that is the real reason Vancouver now ranks the tourist business among its leading industries.

What will happen, one wonders, to Vancouver industrially and commercially when the city becomes as aggressive in selling the industrial and trade advantages of the city as it has been in selling the natural beauties? Down in Seattle, for instance, they have talked trade routes, shipping lines, raw materials, labor supply, home markets and one thing and another until industries of every kind have located there. Vancouver has not done a great deal in an organized way to go after industry. It has gotten new industries but wholesale exploitation of economic advantages has fallen short of the possible mark. Seattle has not much more to offer than Vancouver, except as regards the market afforded by the population within trading distance of the city. I have been in Seattle and I have been in Vancouver and I have cast a hurried glance over both cities. Seattle has a fine harbor and excellent shipping facilities, but so has Vancouver. Seattle has a climate to attract the best class of workers, but so has Vancouver. Seattle is on fine rail and boat transportation routes, but its advantages in this regard do not begin to approach Vancouver's. Seattle is contiguous to immense natural resources in wood, minerals, fruit, coal, fisheries, etc., but again Seattle's surrounding resources are less than Vancouver's. Seattle, with its 350,000 people, now has the jump on Vancouver, which has about 250,000 people in the city limits and adjacent municipalities. But give Canada real prosperity and give Vancouver vigorous commercial exploitation and I would back Vancouver to walk away from Seattle. Seattle has done an awful lot of talking and it has become a bit of a dream city to people who have never been there, while to business men the city has a reputation as an expansive commercial centre. Seattle does measure up very well to its advance press notices. But if you have formed any appealing mental impression of the metropolis of Washington state, do not let it carry you away with the idea that Seattle is the wonder city of the Pacific Northwest. It is only one of them; the real wonder city is Vancouver.

PUTTING MOVIES ON SOUND BASIS

Now Recovering From the Crisis Brought About by Uneconomical Methods

NEW YORK.—A year ago moving picture and allied stocks were selling at prices greatly below the present level, some stocks at about one-half of their present price. In the subsequent bull market they moved up very feebly and reluctantly, and in every technical reaction tended to lose whatever little color the general bull market had given them. In the pre-election reaction some of them were again at the bottom. The staggering blows dealt by that rising giant, the radio, to the victrola industry sent some graphophone securities into complete oblivion, and it was feared that a similar future would overtake the moving-picture industry, writes A. Motelli in the Annalist.

But the depression proved merely an incident in the life of the industry, and was quickly overcome. Buying of radios had little affect on attendance at the theatres. With the general improvement in business, movies showed rapid recuperation, partly due to the material improvement of the purchasing power of the grain territories, which on a per capita basis have the largest theatrical density—one theatre to some 4,000 inhabitants. Tax admissions last year were $77.7 millions, the highest on record except for 1921; but the tax basis was different in that year. These taxes are for all theatrical attendances, photoplay theatres not being segregated; but they are a fair general index of the volume of general theatrical and moving picture entertainment purchased by Americans.

The crisis through which the industry passed a couple of years ago was due less to any saturation in public demand than to internal causes—chiefly the uneconomical methods of the industry in various aspects. The waste in the industry commonly known is eloquently reflected in the census figures, which for 1921 give the number of salaried clerks and officers as 4,400 against 6,300 of wage earners, a ratio of 7 to 10; while salaries were estimated at $45 million against wages at $27 millions, revealing an unusually heavy overhead due to the excessive salaries paid. In California, where over 62 per cent. of the production is concentrated, the high salaries of the people connected with the industry and their standards and excesses of living have become proverbial. These things are frequent concomitants of young, growing and prosperous industries in their earlier phases of development. While the implanting of sound business methods has by no means been completed, some progress along lines of economy and stabilization has been made in the last few years, under the compulsion of the old disciplinarian—competition.

INSURANCE MEN WHO PASSED FOR DEGREE OF C. L. U.

Examinations Which Indicate High Ethics of the Business

Under authority of the Act incorporating the Life Underwriters' Association of Canada, passed by the Dominion of Canada on July 19, 1924, the following men, having fulfilled the requirements of the Association, have been granted the degree of Chartered Life Underwriter of Canada:

BRITISH COLUMBIA

Vancouver:—J. M. Aird; T. K. Aird; D. M. Anderson; J. A. Birmingham; W. H. Colclough; F. W. Cunningham; C. A. Crysdale; E. O. Davis; H. Farrant; John Granger; C. R. Hickman; E. W. Keenleyside; H. W. Leslie; Wm. Mann; O. A. Maybee; John T. McCay; H. A. Pearson; J. L. Sangster; R. H. Squire; W. M. Twiss; H. C. Webber.

Victoria:—W. H. Barcham; Kenneth Ferguson; J. W. Hudson; F. M. McGregor; W. E. G. McLagan; J. W. O'Kell; Lorne Ross; H. F. Shade.

ALBERTA

Calgary:—L. H. Barnes; Geo. W. Clarke; R. R. Hagerman; H. Higginbotham; F. C. Lowe; C. A. McAllister; J. E. Runions.

Edmonton:—A. C. Idyll.

Lethbridge:—J. C. Bass; W. B. Ferguson; E. R. J. Forster.

SASKATCHEWAN

Moose Jaw:—R. E. Campbell; H. E. Clausen; A. W. Irwin; J. J. Kenny; R. A. Riddell.

North Battleford:—Archie Cocks.

Prince Albert:—C. J. Brostrom; W. M. Spearing.

Regina:—J. O. Clarke; W. D. Donaldson; C. F. Dunfee; E. J. Dunfee; W. C. Bordon; F. W. Graham; W. J. Gray; V. E. Lee; Andrew MacBeth; D. E. Spencer; J. H. Taylor; E. O. Walker.

Saskatoon:—Gordon Cameron; L. H. Colwill; R. M. Currie; A. J. McNair; C. A. Marshall; A. C. McEown.

MANITOBA

Brandon:—F. W. Hobson; A. J. Irving; Wm. Lawson; Howard Mann; J. E. Matthews; S. W. McCullough; W. B. McMurray; A. R. Rettie; E. W. Shook; J. J. Smiley; C. F. Stewart; E. E. West.

Winnipeg:—R. G. Davis; W. T. Hart; N. B. Henry; A. E. Lawson; C. W. Nash; J. O'Grady; A. L. Petty; A. E. Richardson; P. A. Wintemute.

ONTARIO

Belleville:—S. Burroughs, Sr.

Brantford:—E. Reynolds; W. E. Sutherland; J. H. Teakle; J. Vivian; T. H. Whitaker.

Brockville:—C. E. Bissell; D. M. Bissell; A. E. Moulds; R. M. Sherriff.

Hamilton:—E. C. Bouck; Wm. Cochrane; G. H. Dawson; M. Ferguson; E. N. Gibson; A. C. F. Holmes; T. D. Lawrason; J. A. Limage; H. W. Linton; R. E. McCarten; N. M. Montray; E. Morwick; M. J. Muter; C. H. Newson; J. C. Reading; R. C. Ripley.

Kingston:—C. D. Carr; F. L. Jackson; M. G. Johnston; A. J. Meiklejohn; B. G. Robertson; A. Thomson; H. D. Wightman.

London:—J. H. C. Graham; F. C. Morrow; W. H. Robinson; J. G. Stephenson; W. A. Torney.

North Bay:—C. W. Mealing; R. M. Smith.

Orillia:—R. G. Collins; F. W. Hewitson.

Ottawa:—B. H. Cole; W. J. Dalton; A. G. Fisher; W. B. Graham; P. A. Holmes; W. G. Keddie; W. T. Lamb; H. M. MacCallum; E. S. Miller; J. M. C. Phillips; John R. Reid; W. Lyle Reid; J. D. Sharp; A. S. Stackhouse; H. S. Widdifield.

Peterborough:—L. P. McNabb; J. F. H. Wallace.

Sault Ste. Marie:—R. H. Carney; R. J. Crouch; C. W. Pearson.

Stratford:—H. A. Bruce.

Toronto:—J. L. Abell; T. G. Baker; J. W. Barfoot; C. E. Barnett; G. R. Boase; A. S. Bow; E. S. Boynton; F. G. Butt; W. F. D. Chantler; C. Collard; H. J. Cook; H. C. Cox; O. N. Cunnings; C. D. Devlin; T. H. Dickinson; H. H. Distin; R. T. Faircloth; V. W. Fairweather; M. B. Farr; G. A. German; J. M. Gouinlock; J. B. Hall; F. M. Hannam; J. F. Holloway; F. C. Hoy; G. H. Hunt; W. C. Ingles; D. L. Kennedy; D. Kerr; W. C. Laird; L. J. Lugsdin; H. W. Manning; Wm. May, Jr.; G. S. McConkey; T. G. McConkey; N. B. McKibbin; J. J. McSweeney; H. G. McVean; T. C. O'Gorman; W. A. Peace; W. B. Peace; E. H. Pooler; A. G. Ramsay; F. Robinson; S. C. Ross; S. R. Russell; W. D. Rutherford; J. K. Shook; O. B. Shortly; W. T. Sloan; J. D. Soper; F. T. Stanford; Flora Stewart; E. S. Taylor; J. G. Taylor; J. A. Tory; Wm. Triggs; S. C. Vinen; B. Vise; J. J. Walsh; C. L. White; J. F. Weston.

Waterloo:—G. J. A. Reany.

QUEBEC

Montreal:—W. J. Brown; E. M. Chamelet; B. E. Curry; A. G. Daveluy; E. J. L'Esperance; L. N. L'Esperance; C. C. Gauvin; H. K. Hunt; J. S. Johnston; J. C. Joy; Geo. A. Main; A. H. Vipond; Wm. Walters; Geo. H. Harris.

Quebec City:—J. J. Chouinard; P. H. Dubar; J. T. Lachance; Amable Laprise; M. Monaghan.

Sherbrooke:—G. J. Alexander; H. St.C. Clayton; T. J. Parkes; J. A. Vidal.

NEW BRUNSWICK

St. John:—O. J. A. Barter; F. O. Conlon; F. W. Girvan; E. R. Machum; John MacKinnon; G. Wetmore Merritt; P. M. Monahan; J. J. Murray; T. R. S. Smith.

PRINCE EDWARD ISLAND

Charlottetown:—W. G. Hogg; J. O. Hyndman.

NOVA SCOTIA

Annapolis Valley:—O. P. Goucher.

Halifax:—G. E. Archibald; F. W. Benn; J. D. Geddes; D. C. Hatt; J. L. MacDuff; J. W. McCarthy; W. P. Moore; N. C. Ralston; H. G. Raymond; G. R. Smith; J. T. Wilson.

Sydney:—Thos. L. Earle; H. S. Gray; R. F. McNeil.

The examination leading to this degree was held on May 29th, when some two hundred and seventy candidates all over Canada tried the examination. The use of the letters C.L.U. is restricted to members of the Life Underwriters Association who have qualified by length of service and by successfully completing the examination test, during such time as they retain their connection with the association.

The examination was based on what was considered by the educational committee, necessary knowledge for the average underwriter in order that he might efficiently serve his clients. The provincial laws governing beneficiaries and the payment of claims, the fundamentals of the business, the correct methods of salesmanship and ethics were subjects dealt with in the examination.

COUNTY OE YORK

DEBENTURES FOR SALE

Sealed tenders marked "Tender for Debentures" and addressed to the Treasurer of the County of York, 57 Adelaide Street East, Toronto, will be received up to 10 o'clock a.m., Tuesday, July 21st, 1925, for the purchase of $100,000.00 5% serial bonds, maturing 1926 to 1945. Interest payable half-yearly. The highest or any tender not necessarily accepted. Schedule of maturities upon request.

D. J. MACDONALD,
Treasurer of the County of York.

The Hamilton Provident and Loan Corporation

Dividend No. 108

Notice is hereby given that a Dividend at the rate of TEN per cent. per annum, upon the Paid-Up Capital of this Corporation, has been declared for the half year ending June 30th, 1925, payable on and after Wednesday, the 2nd day of July next.

The Transfer Books will be closed from the 15th to the 30th of June, inclusive.

By Order of the Board,
D. M. CAMERON,
General Manager.

Hamilton, June 2nd, 1925.

The Bell Telephone Company of Canada

Notice of Dividend

A Dividend of Two per cent. (2%) has been declared payable at the Office of the Company, in Montreal, on July 15th, 1925, to Shareholders of record at the close of business on June 23rd, 1925.

W. H. BLACK,
Secretary-Treasurer.

Montreal, June 3rd, 1925.

Lambton Golf Stock

One share of Lambton Golf Club stock, Toronto, wanted at reasonable price. Send particulars to

Box 100
FINANCIAL POST, TORONTO

Investors

A very exceptional opportunity is offered to a limited number of investors. Big dividends assured. Apply Box 13, Financial Post, Toronto.

FOR SALE

5000 Barrel daily capacity oil refinery, modern in every detail with twenty seven oil wells making a daily average of six thousand barrels, high gravity oil. This plant has pipe line connections with trans-continental line. Located in the Mid-Continent fields of Texas. Will sell together or separate. I am the principal. H. T. Chappell, Ranger, Texas, U.S.A.

DOMINION TEXTILE COMPANY, Limited

NOTICE OF DIVIDEND

A Dividend of one and three-quarters per cent. (1¾%) on the Preferred Stock of DOMINION TEXTILE COMPANY, Limited, has been declared for the quarter ending 30th June, 1925, payable 15th July, to shareholders of record 30th June.

By order of the Board,
JAS. H. WEBB,
Secretary-Treasurer.

Montreal, May 28th, 1925.

Belding - Corticelli Limited MONTREAL

Dividend No. 4

The Directors of Belding-Corticelli Limited are making a distribution from the earnings of the half year ended May 31st, 1925, of 2% on the Common Stock of the Company, payable August 1st to Shareholders of record July 15th, 1925.

By order of the Board,
J. P. KENNEDY,
Acting Secretary.

Belding - Corticelli Limited MONTREAL

Dividend No. 43

Notice is hereby given that on the Preference Stock of this Company the Directors have declared a Dividend of 1¾%, payable on the 15th of September to Shareholders of record at the close of business the 31st day of August, 1925.

By order of the Board,
J. P. KENNEDY,
Acting Secretary.

TENDERS FOR PULPWOOD AND TIMBER LIMITS

TENDERS WILL BE RECEIVED by the undersigned up to and including the 10th day of September, 1925, for the right to cut pulpwood and such other classes of timber, as the stipulated conditions may require on certain areas situated in the following regions:—

(1) The East and West sides of Lake Nipigon, Thunder Bay District.
(2) The watershed of Kapuskasing River, District of Cochrane.
(3) The watershed of Mattagami River, District of Cochrane.
(4) The watershed of Ground Hog River, District of Cochrane.

FOR FULL PARTICULARS, as to Terms and Conditions of Tender, and Sale, apply to undersigned.

JAMES LYONS,
Minister of Lands and Forests.
Toronto, Ont.

N.B.—No unauthorised publication of this Notice will be paid for.

Toronto, June 9th, 1925.

Tenders for Debentures

Tenders are hereby invited for the purchase of Debentures of the Municipality of the Township of Chapleau, Ontario. to the amount of FIFTY THOUSAND DOLLARS, Government guaranteed as to Principal and Interest.

These Debentures are issued under the authority of By-law No. 153 of the said Municipality of the Township of Chapleau, and are to run for the period of Thirty years from the Thirty First day of July, 1926, with interest coupons attached, payable yearly at the rate of five and a half per cent. per annum, the said debentures are issued in sums of not less than $100 each. Tenders will be received up to the 15th day of July, 1925, and are to be addressed to the undersigned Clerk. The highest or any tender not necessarily accepted.

Dated at Chapleau this 2nd day of July, 1925.

M. BRUNETTE, Reeve.
T. R. SERRE, Clerk.

TENDERS FOR DEBENTURES

Tenders are hereby invited for the purchase of Debentures of the Municipality of the Township of Chapleau, Ontario, to the amount of FIFTY THOUSAND DOLLARS, Government guaranteed as to principal and interest.

These debentures are issued under the authority of By-Law 153 of the said Municipality of the Township of Chapleau from July 31st, 1926, with interest coupons attached payable yearly at the Royal Bank, Chapleau, at the rate of five and a half per cent. per annum.

The said debentures are issued in sums of not less than One Hundred Dollars each.

Tenders will be received up to the 15th day of July, 1925, and are to be addressed to the undersigned Clerk. The highest or any tender not necessarily accepted.

Dated at Chapleau this 2nd day of July, 1925.

M. BRUNETTE, Reeve.
T. R. SERRE, Clerk.

The Standard Bank of Canada

Quarterly Dividend Notice No. 13[illegible]

A Dividend of Three Per Cent. (3%) for the three months ending 31st July, 1925, being at the rate of Twelve Per Cent. (12) per annum, has been declared payable on the 1st of August, 1925, to Shareholders of record as at the 16th of July, 1925.

By Order of the Board,
N. L. McLEOD,
General Manager.

Toronto, June 24th. 1925.

INTERNATIONAL PAPER COMPANY

New York, June 24, 1925.

April 29, 1925, the Board of Directors declared a quarterly dividend of one and one-half per cent. (1½%) on 6% Preferred Stock and an initial quarterly dividend of one and three-quarters per cent. (1¾%) on the 7% Preferred Stock payable July 15th, 1925, to holders of record of the respective stocks at the close of business July 7th, 1925.

Holders of the 6% Preferred Stock surrendering their stock certificates on or before July 7th, 1925, either to Bankers Trust Company, 14 Wall Street, New York City, or to the First National Bank of Boston, 67 Milk Street, Boston, Mass., for exchange for the 7% Preferred Stock, together with the requisite cash payment of $10.00 per share, will be entitled to receive dividend payable July 15th on the 7% Preferred. Checks will be mailed. Transfer books will not close.

OWEN SHEPHERD, Treasurer.

Abitibi Power & Paper Company Limited

Dividend Notice

Notice is hereby given that a quarterly dividend of One Dollar ($1.00) per share has been declared on the Common Stock of the Abitibi Power & Paper Company Limited, payable the 20th day of July, 1925, to shareholders of record at the close of business the 10th day of July, 1925.

By Order of the Board.
W. H. SMITH,
Secretary-Treasurer.

Penmans Limited

Dividend Notice

NOTICE is hereby given that the following Dividends have been declared for the quarter ending 31st July, 1925:

On the Preferred Stock, one and one-half per cent. (1½%), payable on the 1st day of August to Shareholders of record of the 21st day of July, 1925.

On the Common Stock, two per cent. (2%), payable on the 15th day of August to Shareholders of record of the 5th day of August, 1925.

By Order of the Board.
C. B. ROBINSON,
Secretary-Treasurer.

Montreal, Que.
6th July, 1925.